THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

The Consular Court Decision in the *China Courier* Case

U. S. Money For The South Manchuria Railway

Why Chiang Kai-shek Has Come Back

By C. Y. W. Meng

"Mystery" Strikes in the Yangtszepoo District

By. B. Y. Lee

The Fundamental Problem of the Chinese Nationalists

By J. B. P.

評論報

SATURDAY, DECEMBER 3, 1927

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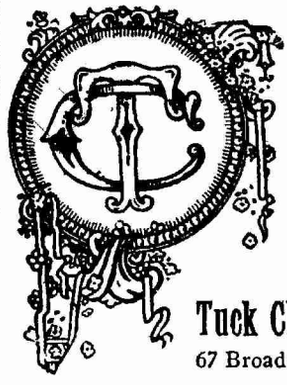

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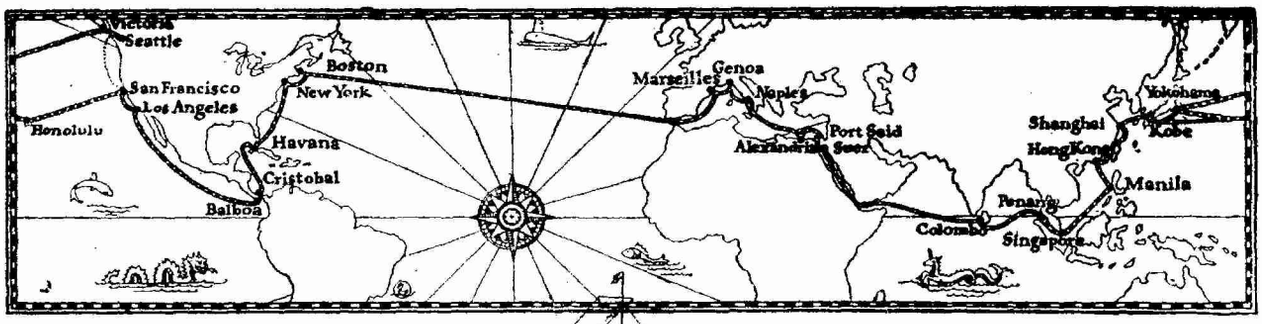

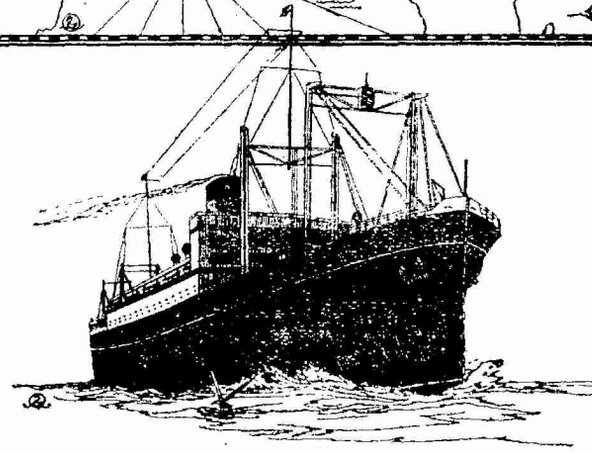

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THE CHINA WEEKLY REVIEW

Formerly Millard's Review

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NEWS WHICH DIDN'T APPEAR IN SHANGHAI NEWSPAPERS!

ON SEVERAL occasions recently *The Review* has called attention to news items of local and general interest which for some reason or other does not appear in the local Shanghai newspapers. In this connection, we reprint herewith some news reports which should be of interest to local foreign and Chinese residents, but which have not appeared in the local foreign press:

Shanghai, Nov. 23—The Shanghai General Chamber of Commerce, Special District Chamber of Commerce, Bankers Association and Institute of Pacific Relations today passed a strong resolution protesting against the granting of American loans to the South Manchuria Railway. The resolution which was cabled to Dr. Alfred Sze, Chinese Minister in Washington with instructions for bringing same to the attention of Secretary Kellogg and the American people, was as follows:

"The Chinese people have heard of a proposed loan of $G.30,000,000 to be floated in the United States on behalf of the South Manchuria Railway. The Chinese people have heard this news with alarm. The South Manchuria Railway is not a purely commercial venture, but is a political and economic instrument of Japanese aggression in Manchuria and Mongolia. Since the United States has always been friendly toward China, the Chinese people hope that America will maintain its traditional friendship toward China and will not financially assist the Japanese in further encroachments upon China's territories."

(*From the Osaka Mainichi, English Edition*)

Peking, Nov. 15.—Final views are now being exchanged between the Generalissimo's Office and the Japanese diplomatic representatives regarding the following three points in the negotiations which have been going on regarding Japan's railway plans in Manchuria and Mongolia:—

1. The negotiations for an agreement as to the construction of five railways in Manchuria and Mongolia shall be conducted separately from the remainder of the Manchuria and Mongolia negotiations.

2. The definite understanding which has been reached between Mr. Pan Fu, Minister of Communications, and Mr. Yamamoto, President of the South Manchuria Railway, shall be recognised as final.

3. As soon as an agreement regarding details is reached, the work of construction shall be commenced.

It is anticipated that Mr. Yoshizawa, Japanese Minister at Peking, will be instructed by his Government to use his own discretion in conducting the negotiations on these three points, in order to facilitate an early settlement.

(*From the Osaka Mainichi, English Edition*)

Peking, Nov. 14.—The Waichiaopu has received a dispatch from Dr. Alfred Sze, Chinese Minister in Washington, regarding the American Government's protest against Japan's new policy in Manchuria and Mongolia. The Chinese Minister's message is to the following effect:—

"Mr. Kellogg, Secretary of State, has informally expressed the opinion that, if the Sino-Japanese negotiations as regards Manchuria and Mongolia are being conducted as reported, they exceed the limits set by the Washington Agreement.

"It is especially with reference to the railway plans that the American Government is now investigating the situation, and if the result of these investigations shows that Japan has gone beyond the terms of the Washington Agreement, the American Government may advise American bankers to sever their relations with the International Consortium."

(From the Osaka Mainichi, English Edition)

Peking, Nov. 14.—The contract for the construction of new railways in Manchuria and Mongolia was to have been signed to-day between the Japanese Minister in Peking and General Yang Yu-ting, representing the Generalissimo's Office. General Yang Yu-ting, however, has proposed that the contract be signed between representatives of the South Manchuria Railway Company and the Chinese Communications Office.

General Yang gives as the reason for this request that many loan contracts have been signed between the Communications Office and foreign firms, and that the Generalissimo's Office may not take the trouble to sign the contract.

It is believed that General Yang is afraid he will get into trouble if he signs the contract on account of agitations of protest which may be started.

(From the Osaka Mainichi, English Edition)

Peking, Nov, 14.—The nationals residing in Shanghai of five Powers—Britain, America, Italy, France and Japan—have submitted a joint memorial to the Diplomatic Corps in Peking, making the following demands:—

1. To ask both the Peking and Nanking Governments to compensate the losses sustained directly or indirectly by foreign residents in China on account of the civil disturbances

2. To warn the Peking and Nanking Governments to cease war, and if the warning be unheeded, the Powers shall resort to armed intervention to enforce the cessation of hostilities.

This memorial is regarded as a most important document, in view of the plan now being studied by the Diplomatic Corps of framing a new China policy conjointly.

(From the Japan Advertiser, Tokyo)

London, Nov. 10.—Methods of meeting Japanese competition in the Chinese market have been discussed in a paper read before the Manchester Statistical Society by Mr. Barnard Ellinger, who argued that Japan's success in China was not due to her proximity nor the similarity of taste of the Chinese and Japanese peoples, but due to her method of mass production and distribution, together with her energy in invention and enterprise.

He declared that unless Lancashire was prepared to cater for the bulk of business on lines similar to those following by the Japanese, by reducing the cost of production, by adapting the organisation of the industry as a whole to changing conditions, it must be content with the mere fringe of the luxury end of the business.

Mr. Ellinger suggested the formation of a committee to conduct in the next year or two a meticulous investigation on all items of costs, comparing them with similar costs in Japan, and also suggested organisation of the industry into a number of units, each of which should concentrate its energy on the production of one particular quality of goods through every stage of production from spinning to merchandising.

CONSUL LINGOH WANG AND THE PHILIPPINE SOLONS !

THERE ARE between 120,000 and 150,000 persons of Chinese parentage living in the Philippine Islands, of which number some 60,000 are actual Chinese citizens. The remainder were born in the Philippine Islands and thus are classed as Filipino citizens and hence wards of the United States. According to Mr. Lingoh Wang, Chinese Consul-General at Manila, it is possible that 10 percent of the 60,000 Chinese citizens in the Islands are there illegally, having been smuggled in from Singapore and Borneo. Most of the Chinese in the Philippines hail from Fukien province, although there are also a considerable number from Canton. At the opening of the present session of the Philippine legislature one of the Senators, Mr. De los Reyes, introduced a bill "to regulate the registration of Chinese in the Philippine Archipelago" which legislative measure was supposed to have the support of the Acting Governor-General, Mr. Gilmore. On November 2 one of the members of the Senate announced that the Chinese registration bill had been withdrawn "because of an understanding which had been reached with the Chinese Consul-General, Mr. Lingoh Wang." This statement aroused considerable interest and charges were made that the Chinese Consul-General had been "lobbying" among members of the legislature, something which foreign consular and diplomatic officials are not supposed to do in the countries to which they are accredited. Finally the *Manila Bulletin*, the American newspaper in Manila, sent a reporter around to see Mr. Wang and much to the surprise of everyone, the Consul-General according to the report admitted that he had discussed the matter of the proposed law with members of the Legislature and as a result it had been decided to withdraw the measure "in order to provide time for further study and consideration before bringing it up again next year."

IN THIS connection, Mr. Wang explained that prior to the American occupation of the Philippines in 1898 there was no restriction on Chinese immigration. On April 29, 1902 the U. S. Congress passed an act prohibiting the coming into, and regulating the residence within the United States and its territories of Chinese and during the same year the Philippine Commission made provision for the registration of Chinese. According to Mr. Wang this action was immediately followed by the smuggling of Chinese into the Islands, most of which has been done through the assistance of the Moros from the port of Sandakan into Jolo and Zamboanga. "All of the legislation in the world will not stop this smuggling," declared the Consul-General, "for there are several organized companies which control the business. For a certain sum they guarantee their customers admission into the Islands and in case the Chinese is detected and deported, the companies pay the fine and smuggle the customer in again." It was in the course of the discussion that Mr. Wang made some interesting remarks on the subject of the Chinese in the Philippines, declaring that Chinese immigration to the Philippines had been quite similar to European immigration into the United States. "While visiting the various section of the Islands, I have observed to my great satisfaction that the Chinese residents and the Filipinos live together in a most friendly manner and that cordial relationships have existed for several centuries. They have helped to develop the economic resources of the Islands and have become good and useful citizens. Through their intermarriage with the Filipinos, a large majority of the Filipino leaders, political, educational, commercial and social—have Chinese blood in their veins. Chinese immigration has proved most beneficial to the Philippines and should be encouraged." In reference to the larger subject of Chinese emigration to other lands, Mr. Wang declared that the way to attack the Chinese emigration problem was at the source and suggested that the United States send experts to China to assist the Chinese in building railroads and opening up the great interior of Asia "so there will be no necessity for the Chinese to leave their home land in order to seek a livlihood elsewhere." "The United States," declared

Mr. Wang, "is well recognized as the best friend of China, hence should take the lead in assisting China in the solution of her transportation and development problems." It apparently did not occur to Consul Wang that his efforts to block legislation advere to Chinese interests which was pending in the Philippine Legislature and the gradual absorption of the internal business of the Philippines by the Chinese immigrants constitutes a fine example of Chinese imperialism—but, of course that's another story!

PURDY AND BIRNEY ON CHINA'S PRESENT PROBLEMS

THERE WERE two addresses delivered by American citizens in Shanghai last week which exemplified most fittingly the American reaction toward present happenings in China. The addresses were delivered by well known members of the American community, Judge Milton D. Purdy of the United States Court for China and Bishop L. J. Birney of the Methodist Episcopal Mission. In Judge Purdy's address which was delivered before an audience of foreigners and Chinese at the Union Club, he declared that "friendship and mutual understanding provide the real solution for the maintenance of friendly relations between the Chinese and foreigners who live in this country. The idea that our difficulties can be settled by force on either side is out-of-date. It has been tried in all parts of the world and found wanting..... We are beginning to see that the sooner all of us, Chinese and foreigners alike, drop our foolish notions of race prejudice and superiority, the sooner we shall find our way out of the intolerable confusion which prevails today... The isolation of any nation is now impossible. We must learn to live together whether we like it or not and we must do business together. The meeting of two radically different civilizations such as the East and the West, inevitably causes a clash, but that does not mean that one must destroy the other. If we use our intelligence instead of our prejudice, we can in time make this adjustment, and the experience will promote the welfare of all concerned." Continuing, Judge Purdy declared that we get nowhere discussing the question whether China would have been better off if the foreigners had never come to these shores. "The point is, the foreigner is here," he said, "hence it devolves upon the present generation to solve as far as possible problems which earlier generations created. The thinking men of China wish to see their country take its place in the great family of nations. They know that China can no longer live within a wall, nor do they wish such a condition. The problem is for China to set her house in order and for the stranger within her gates to recognize that he is a guest in China." In reference to the question of extraterritoriality, the Judge of the U. S. Court declared that a foreign court in China is an anomaly; that it is only a temporary measure and one of the instruments whereby "we are assisting in making peaceful relations possible..... It is the business of these foreign courts to protect not only their own nationals, but it is far more essential that they protect the Chinese in the fullest measure in the assertion of their rights against the foreigner. If these courts are not functioning honestly they certainly have no right to exist in China...and it is high time they were reformed or altogether abolished." Turning to the address by Bishop Birney which was delivered at the annual American observance of Thanksgiving Day, he described the origin of Thanksgiving and told of the struggles of the little band of starving Pilgrims in the New World, "cut off from friends and aid, striving to attain their ideals, sacrificing everything for the sake of a great conviction. It is here," he declared, "that we can enter into deepest sympathy, sympathy almost to tears for this great land of China which we have learned to love, in her almost death struggle to realize the ideals of democracy. A few men who had caught the vision of freedom and unity, and justice and ordered power of government, began the crusade for a great reform and by and under their inspiration the Nationalist movement swept northward like a tidal wave and millions of hearts swelled with new hope and pride and the great expectation exulted the souls of a mighty people, and every real American shared that expectation."

The Consular Court Decision In The Courier Case

THE *China Courier* is a daily newspaper published in Shanghai, the stock of which is largely owned by Chinese, some of whom are citizens of the United States due to their birthplace being in Hawaii, an American territory. The *Courier* is published by the China Publishing Company, which is incorporated under the laws of the state of Delaware. Several months ago *The Courier*, in company with a considerable number of Chinese concerns in Shanghai, refused to pay the increased taxes voted by the foreign ratepayers in Shanghai on the grounds that the Chinese ratepayers of the Settlement who pay about 80 percent of the taxes were not consulted when the annual foreign Ratepayers' meeting was held last spring. The resistance of *The Courier* and the Chinese generally to the increased taxes on the basis of non-representation was merely one phase of the fight which Chinese interests have waged here for many years for the right to participate in the administration of the so-called "International" Settlement.

Since *The China Courier* led the fight against the increased tax rate, the local British police authorities adopted retaliatory measures against that newspaper and one day sent a force of men to the office of the paper and disconnected the electric light and power service, which action naturally caused the publication considerable embarrassment and financial loss. As a result of this *The Courier* brought a legal action against the Shanghai Municipal Council alleging damages to the extent of $5,000. The case was heard by the Court of Consuls which is composed of Mr. E. S. Cunningham, American Consul General, who is chairman of the Consular Body, Sir Sidney Barton, British Consul-General and Mr. N. Aall, Consul-General for Norway. The *Courier* was represented by Mr. Nicholas Char, a Chinese attorney (native of Honolulu), while the Shanghai Municipal Council was represented by Mr. S. Fessenden, chairman of the Council.

The Consular Court, on Thursday, Nov. 24 handed down the following decision and order:

(i) The petition of the Plaintiffs for a perpetual injunction restraining the Defendants from discontinuing the supply of electric power to the Plaintiffs is dismissed, and temporary injunction granted pending hearing of this case is dissolved.

(ii) The sum of Tls. 139.20, being the amount of the General Municipal Rate lawfully due upon the premises, occupied by the Plaintiffs, to be paid to the Defendants out of the monies deposited by the Plaintiffs with the Court.

(iii) The balance of the monies deposited by the Plaintiffs with the Court after deducting (a) the sum of Tls. 139.20, and (b) the amount of the Plaintiffs' Court fees, to be paid out to the Plaintiffs.

(iv) The sum of One Dollar to be paid by the Defendants to the Plaintiffs as nominal damages in respect of the discontinuance of the supply of electric power to the Plaintiffs lights and fans.

(v) Each of the Parties to pay their own costs and one half of the Court fees fixed in the sum of $50.00.

Edwin S. Cunningham, Judge of the Court of Consuls.
N. Aall. Judge of the Court of Consuls.
S. Barton, Judge of the Court of Consuls.
By the Court, C, E. Whitamore, Secretary to the Court of Consuls.

The foregoing ruling was accompanied by a statement by the Consular Court to the general effect that "the rights of the Shanghai Municipal Council are those of a voluntary association composed of the citizens of many different states who have combined for the enjoyment in common in an orderly manner of certain privileges which were accorded to them by agreement made between their respective governments and the Government of China. Amongst these privileges is the right of municipal control over a certain portion of the Treaty Port of Shanghai and for the purpose of exercising this control the Council was empowered to levy taxes on a scale to be fixed by the foreign ratepayers and with the revenue so obtained to provide certain public utilities such as electric power. Since the association for these purposes is voluntary, just as residence within the area so controlled is voluntary, and since there is no common body of law which can be applied to all the members of the association, it follows that the association cannot maintain its existence unless it appeals to the inherent right of self-preservation to enforce the recognition by all participants in its benefits of the obligation to abide by the reasonable regulations under which it is conducted."

Since the object of *The Courier* was to obtain a legal review of the whole question of the right of the foreign ratepayers of the Settlement to levy taxes without respect to the wishes of the Chinese ratepayers who pay a majority of the municipal revenues, the attorney for *The Courier* maintained that the Shanghai Municipal Council had no right to arbitrarily discontinue the electric service and likewise no right to take any arbitrary action against the newspaper without recourse to an action in the local Provisional Court. In other words the attorney for *The Courier* maintained that the Shanghai Municipal Council had on legal right to invade the premises of a private citizen and discontinue the electric lights and power when the Council's case against the newspaper had nothing whatever to do with non-payment of the electric light and power bill, but was based on the general matter of resistance to taxation without representation. The attorney argued that such action was based purely upon force and if approved by the Consular Court would lead to the establishment of a dangerous precedent giving the Shanghai Municipal Council the right to invade the premises of any citizen for any purpose of retaliation thus destroying all legal safeguards for private citizens.

But despite this argument, the Consular Court apparently has upheld the argument of "the inherent right of self-prevation" to enforce its mandates without recourse to the regularly constituted courts, which means in simple language the use of force rather than law. A public utility such as the Electricity Department (Municipally-owned) as a matter of public policy should be required to furnish electricity to all the members of the public indifferently as long as those members pay therefor. In other words, a public utility should not be allowed to discriminate against any member of the public. In fact a contract that had any such discriminatory clauses ought to be set aside as being against public policy and would be so interpreted in the courts of any enlightened community. It doubtless will be news to the Shanghai public and the outside world generally that taxes are collected here in Shanghai to run a commercial undertaking such as the Electricity Department of the Shanghai Municipal Council. If this is so, why do Shanghai citizens have to pay for the electricity again, after payment of taxes? When the Land Regulations (Municipal Charter) were drafted the use of electricity was unknown in Shanghai. It is therefore, among other things, incorrect to say that the Shanghai Municipal Council was authorized to run an Electricity Department when the Land Laws were drafted and ratified by the local Chinese authorities a half century and more ago. If the Shanghai Municipal Council is authorized to collect taxes, obviously there should be no difficulty in enforcing this right in court and the only correct way to enforce it is through the court. The Shanghai Municipal Council has a legal remedy in tax delinquency instances, hence it is unnecessary to invent far-fetched and strange theories such as the "inherent right of self-preservation," to collect taxes. The remedy is simple and direct, that is, by means of a suit against the delinquent. It is morally and legally indefensible for the Shanghai Municipal Council to act as judge, jury and prosecutor by cutting off a public utility like light and power, which is paid for at an agreed rate, in an arbitrary attempt to collect taxes.

A tax debt is one thing; the supply of electricity and the payment therefor is quite another. The law provides an adequate remedy for the non-payment of each. The Shanghai Municipal Council is always preaching about orderly government and obedience to the law. Therefore, it may be asked, why does not the Shanghai Municipal Council live up to its own advice when dealing with residents of the Settlement? It should be clear to any one with any understanding of law that it is an arbitrary act for the Shanghai Municipal Council to cut off the electric current in an effort to collect taxes. The connection between the two is extremely remote in any legal sense. Yet the Consular Court sets about to find some expedient phrase like "inherent right of self-preservation" to uphold the Council's arbitrary act. If the Council is ignorant of its legal remedy against tax delinquents, why could not the Consular Court have directed its attention thereto instead of trying to justify or obscure an arbitrary act by vague and meaningless phrases. In our opinion it is begging the issue to say that the Council may cut off power to collect taxes so long as the cutting off is reasonable. Assuming that any such doctrine is sound, (which it is not) who is to determine what is reasonable? Shall the Shanghai Municipal Council have the right to out off a resident's bath room lights or kitchen lights or bed room lights and leave the lights burning in the front hall? Would the Consular Court determine in each case how many and which lights it shall be reasonable to cut off to compel a resident to pay his taxes. This is of course silly, but it is exactly what the Consular Court has done in this case, and since the Court has so ruled, perhaps it will now proceed to give the residents of Shanghai a guide as to which lights the Council will cut off to compel payment of taxes. Certainly it would seem logical—if not legal—if the Council may cut off any lights or power service in aid of its tax-collecting activities, that it should cut off all. As to

the damages the plaintiff was entitled to collect, he should, obviously, have been entitled to collect actual damages, if he proved his case. To adjudge damages of $1 is like saying the charge is dismissed, but don't do it again. Expediency may be a useful rule of diplomacy, but it seems to be out of place in the judgment of a responsible court as the Shangha: Consular Court is supposed to be!

We have devoted codsiderable space to this case because there is an important principle herein involved. The Shanghai Consular Court is the only safeguard which the residents of Shanghai—Chinese or foreign—have as protection against the arbitrary acts of the Shanghai Municipal Council. While one may not have approved of the methods of *The China Courier* in the fight which it was waging against the Council on the question of tax payment on the part of the Chinese residents of the Settlement, the methods which the Council adopted in retaliation against a newspaper which it did not like was a most serious matter and not calculated to increase public confidence in the justice of our local foreign administration. And since the Consular Court has seen fit to place its stamp of approval on the questionable actions of the Council, the final effect, in our humble opinion, will be to further widen the gap in the relations of foreigners and Chinese here at Shanghai and make working arrangements for cooperation still more difficult of attainment!

The American Loan To The South Manchuria Railway!

IN VIEW of the conflicting reports from Tokyo and Washington it is not yet clear as to whether the State Department will authorize an American loan to the South Manchuria Railway on the part of J. P. Morgan and Company. One report from Tokyo by *Reuters* service stated that "in view of objections raised by the State Department Japanese financial interests had decided to raise the money in Japan." Against this report, however, there was a later dispatch from Washington, also by *Reuters* which indicated that the State Department had not raised objections. Hence it is impossible to know just what has happened from the standpoint of the American end of the negotiations, particularly the attitude of the American Government. But while there is uncertainty on that point, there is little uncertainty regarding the attitude of the Chinese, both Northerners and Southerners on this question of an American loan to the Japanese-controlled South Manchuria Railway line. Chinese commercial bodies in Shanghai on Nov. 23 sent a strong telegram to Dr. Sao-ke Alfred Sze, Chinese Minister in Washington, asking him to protest against the loan and in addition it is reported that the Nationalist Government is also preparing a strong protest which will be lodged with President Coolidge through the offices of the Nationalist representative in Washington. The cabled protest of the Chinese commercial bodies in Shanghai appears in full elsewhere in this issue of *The Review*, but we call special attention to one sentence which expresses the case of the South Manchuria Railway exactly:

> *"The South Manchuria Railway is not a purely commercial venture, but is a political and economic instrument of Japanese aggression in Manchuria and Mongolia."*

NO ONE, least of all the Chinese, questions the fact that the South Manchuria Railway has brought prosperity to the Chinese province of Manchuria, but this does not becloud the fact that the railway is nothing but an imperialistic venture, designed primarily for bringing this important section of China under the economic control of Japan first, and later on under Japan's political control leading in the direction of a colony similar to the present status of Korea. If one would take the trouble to read back over the long negotiations and Japanese official statements pertaining to the annexation of Korea it will be found that the Japanese used language quite similar in that case to what they are now using in respect to Manchuria. There can be no questioning Japan's intentions in this regard for her actions speak louder even than her propagandists, the latest gesture being the intervention of Japanese troops in Shantung province for the very definite purpose of preventing the Chinese revolution from spreading to Manchuria. The present Japanese adventure in Manchuria is exactly similar to the old German adventure into Shantung province, with the notable exception that the Germans were always quite frank as to what they intended to do and did not becloud the issue with a lot of propaganda about their altruistic motives. If the Japanese imperialistic interests in cooperation with the American banking house of Morgan and Company succeed in floating an American loan for the South Manchuria Railway it will be a tribute to the power of propaganda in fooling the American people. For the past five or six years the South Manchuria Railway has been spending thousands of dollars in advertising and publicity in the United States all of which has been designed for the definite purpose of creating the impression that Manchuria, or more properly the Three Eastern Provinces of Sheng-king, Kirin and Ho-lung-kiang, are not a part of "China proper." Readers of *The Review* probably will remember that we published an analysis of several of these advertisements in these columns two or three years ago and pointed out how they were cleverly designed to create the impression that Manchuria was not a part of China. This has all been done for the purpose of paving the way for an American loan to the South Manchuria Railway, the ultimate object being to obtain American cooperation for making this important section of China into a Japanese colony.

IF THIS supposition is not correct, than we would ask why the Japanese Government does not float a domestic loan for the South Manchuria Railway. Japan's credit in American financial circles is good, hence there is no reason why the Japanese Government should not borrow money in America and *use it for the South Manchuria Line*, but the Japanese financiers know that this would leave America free to raise objections in the event of a Japanese annexationist program. They want to get America involved financially in their Manchurian and Mongolian adventure, knowing full well that if powerful banking houses such as Morgan and Company and the National City Bank are deeply involved in the Japanese imperialistic adventure in Manchuria they will exert their influence upon the American Government to prevent official American objection when Japan reaches the point where she feels it safe to annex these Chinese territories. This question of an American loan directly to the South Manchuria Railway, as we have often stated in these columns would, unless surrounded by definite safeguards which would prevent Chinese suspicions of America's

purpose, constitute a most dangerous step for the American people, for it would almost certainly involve America in the highly complicated political situation now existing in this part of Asia, in a triangular struggle between China, Japan and Russia which may result ultimately in another world war. Obviously it would mean the casting overboard of the Open Door Policy and the embarkation of America upon an imperialistic policy in Asia not greatly differing from that which has characterized European and Japanese policy during the past quarter century.

IN VIEW of the uncertainty which still prevails, owing to the conflicting news and propaganda, we append herewith the following news reports bearing on the question of the South Manchuria loan which have appeared recently in the English edition of the *Osaka Mainichi*, the Japanese newspaper published in Osaka. The news items all appeared under the general heading, "More American money for Japan!"

Special to The Osaka Mainichi

New York, Nov. 18.—It is understood here that Wall Street is preparing to float an unprecedented total of Japanese utility issues, exceeding in amount the money raised in Earthquake Loans, when the United States absorbed G.$140,000,000.

The Morgan Company is reported to be ready to launch a loan for the South Manchuria Railway of..... G.$40,000,000

The Guaranty Trust, early in the coming spring, is expected to float a loan for the Tokyo Dento of between.....G.50-100,000,000

The Harris-Forbes Company is preparing to float in December a loan of G.$9,975,000 for the Nippon Electric Company, representing the first part of a 6½ per cent. loan, maturing in 25 years of..... G.20,000,000

The Dillon Read Company indicates that they will shortly float a loan for the Shinetsu Electric Company for an amount not yet stated .....

Mr. Haraguchi, the Japanese Financial Attache, in an interview, says he does not expect the Tokyo Government to intervene in these private enterprises.

Bankers here point out that only two decades ago Wall Street refused to extend any credits to Japan on the occasion of the Sino-Japanese and Russo-Japanese Wars, whereas now United States capitalists are most eager to lend money to Japan.

Guaranty Trust officials have announced that negotiations are nearing completion for the organisation of a Japan Electric Shares Company in American as a holding company.

One authority on Wall Street has expressed the view that the United States during 1928 will absorb at least G.$500,000,000 of Japanese loans.

SOME SUSPICIONS ABOUT MANCHURIA

Special to The Osaka Mainichi

New York, Nov. 18.—The conference between the Secretary of State Mr. Kellogg and Mr. T. W. Lamont yesterday has resulted in various speculations as to the subject discussed, ranging from loans to Far Eastern countries to the projected Cuban loan, but neither New York bankers nor Government officials have yet revealed what was the actual topic discussed.

It is understood, however, that their conversations dealt with impending financial transactions in the Far East. It is also believed that Mr. Lamont's visit to Mr. Kellogg was to ascertain the State Department's attitude regarding the flotation in America of the $40,000,000 loan of the South Manchuria Railway Company.

Though loans to the Japanese interests would not be contrary to the generally recognised policy of the State Department, the question of a loan to be applied to further Japanese development in Manchuria probably would be studied very carefully from the point of view of the policy of equal opportunity and the open door in China.

The loan does not fall within that category of loans which had been opposed by the State Department—loans to a country which has not funded its debt, loans for monopolistic purposes affecting the United States, and loans for the purchase of armaments. but at this time this special question interests Congressional circles, promising much controversy when the session opens.

It is pointed out that if the loan is sanctioned by the State Department, and it enables Japan to tighten her hold in Manchuria, there probably would be a protest from certain elements in Congress.

WHITE HOUSE CONFERENCE ATTRACTS ATTENTION

Special to The Osaka Mainichi

Washington, Nov. 18.—The White House conference between President Coolidge, Messrs. Kellogg, Lamont, and Mitchell is attracting considerable attention in financial circles. What they conferred about is held strictly secret but it is generally presumed that a loan to the South Manchuria Railway was discussed. Another matter supposed to have been considered was the sending of a special mission to China to study the conditions there and find out what can be done towards the stabilisation of the country.

Evidently J. P. Morgan and Company and the National City Bank feel obliged to seek the Government's approval before deciding about the South Manchuria Railway loan because the State Department's policy since 1918 has been to supervise all foreign loans made by American bankers. The Government's approval is especially sought on the South Manchuria loan because the South Manchuria Railway Company's enterprises are internationally complicated and the State Department will undoubtedly consider how China will view the extension of the company's activities with American money.

Anti-Japanese Sentiment

The White House will also consider the possible reaction of American public opinion and especially the Senate's Foreign Relations Committee headed by Senator Borah who is known to be unsympathetic towards Japanese enterprises in Manchuria. Although American sentiment regarding Japan's Chinese policy has greatly improved during the last few years, there still prevails a latent suspicion that Japan may prove too aggressive. This suspicion has been somewhat heightened by the careless advertising of the positive policy by the Seiyukai politicians. This advertising was perhaps meant for domestic consumption, but it has created apprehension abroad, especially in America.

President Coolidge and Mr. Kellogg perhaps are favorably inclined towards the South Manchuria Railway loan because they have apparently been friendly to Japan, but if the State Department openly approves the loan, certain Senators influenced by pro-Chinese propagandists like Mr. Millard, will make trouble when Congress opens. It is certain that efforts will be made by such propagandists to censure Minister MacMurray's policy of cooperating with Great Britain in China and criticise the State Department for not taking a more liberal and independent policy. The President and the Secretary of State are cautious in deciding about the proposed loan to the South Manchuria Railway Company.

Mission to China

The question of sending a special mission to China consisting of a few outstanding publicists has been informally considered by the President and the Secretary of State during the last several months. The idea is presumably suggested by the president of the Standard Oil Company with the object of investigating and reporting what should be done to restore peace in China.

It is reported that the President has discussed this matter with Messrs. Lamont and Mitchell but apparently no decision has yet been reached.

MR. LAMONT CALLS ON PRESIDENT COOLIDGE

Rengo

New York, Nov. 18.—There is much speculation in official circles regarding the reasons for the conference yesterday between President Coolidge, Mr. Lamont and Mr. Mitchell, but no statement of any kind has been given out, and silence meets all enquiries.

Several newspapers, remembering Mr. Lamont's recent visit to Japan, deduce that he discussed Far East finances with President Coolidge, particularly the floatation of a loan in the United States for the South Manchuria Railway.

This seems most unlikely in view of the reports from Tokyo that a loan for this purpose has been already arranged in Japan. At the same time, it is probable that one reason for Mr. Lamont's visit was to ascertain the Government's attitude generally towards Japanese finance.

Nationalist Soldiers Charged With Shooting Citizens

General Chiang Kai-shek in the course of an interview towards the end of last week with a high official of the Nationalist government brought public attention to the fact that the accounts, that had been previously published about the shooting of Chinese citizens at Nanking November 22 on the occasion of a public meeting to celebrate the victories of the Nationalists over Tang Seng-chi, are very much open to question on the point of accuracy. The newspaper reports stated that while the meeting was in progress the Military Committee received reports that "Communists" were active in distributing circulars and fomenting trouble generally. In the uproar which accompanied an attempt on the part of the military authorities to prevent a procession being formed, promiscuous shooting occurred and a number of innocent persons in the crowd were shot to death. The newspaper reports at the time stated that the shooting had been done by "Communists," but the Nanking branch of the Students' Union charges that the shooting was done wantonly by soldiers and police. To go back to General Chiang Kai-shek's interview, the ex-generalissimo said: "The practice of merciless shooting upon the citizens by soldiers is an act equivalent to the former practice of Marshal Tuan Chi-jui against the Peking students. The criminals connected with the above case should be severely dealt with."

New Ford Plant in Yokohama Being Erected

Plans which were announced last summer for the building of a new Ford assembly plant at Yokohama are to be put into operation immediately, according to telegraphic advices received in Shanghai during the week. Construction of the new plant, exclusive of site and equipment, will cost approximately a million gold dollars. The H. K. Ferguson Company of Cleveland, Ohio, has been awarded the contract for construction, and a group of said company's engineers has already arrived in Yokohama. The new plant will have a capacity of assembling 200 cars a day and is expected to be in operation by August of next year. The site of the new plant is Koyasu, a suburb of Yokohama on Tokyo bay. It will cover an area of about seven acres. Japan is taking to automobiles very rapidly, and by far the largest number of cars in Japan are Fords.

Ford Plant Idle for Six Months

Pending the practical rebuilding of its factories at Detroit for the production of the new model, the Ford plants have been idle for about six months. In view of the fact that Ford's various establishments when in operation give direct employment to about sixty or seventy thousand workers, it was only natural that there should be considerable dislocation of the labor supply in various parts of the United States. The whole automobile industry is in a state of flux. Just what luck Ford will have with his new model remains to be seen, but the practical suspension of Ford sales has given an enormous impetus to the sales of the various cars manufactured by the General Motors Co. In the meantime, W. C. Durant is about to stage a big "come back" in the automobile industry. For the past few years Durant has been producing a small, cheap car known as the Star, which has more recently blossomed into the Rugby.

Japan Purchases Large Stocks of Ammunition in Europe

The following dispatch from London appeared in *The Chicago Tribune* on Nov. 3: "Heavy shipments of war material for Japan are still being made from Europe to ports in the Far East handy to Manchuria. It was learned today that inquiries have been made in the London market for $15,000,000 insurance on cargoes of rifles, guns, and munitions to be shipped from Hamburg by the German Rickmars line for Dalny and Port Arthur. The goods are coming to Hamburg overland from Prague, and it is said that they have been manufactured at the Skoda armament works."

Denials By the U. S. S. R.

The *Tass* news agency November 24 published an authorized statement by the Consulate General of the U. S. S. R. contradicting the report of the alleged sending to Shanghai from Vladivostock of an armed detachment to defend the Consulate from possible repetitions of "bandit" attacks.

The Soviet Consulate also issued a denial that strikers were being financed with Soviet funds,

William Morris, Head of B. A. T. Becomes Member of London Directorate

William Morris, who has been a member of the staff of the British-American Tobacco Company in China since October, 1910 and in recent years general manager of the Company, is departing shortly for London where he and Mrs. Morris will reside and where Mr. Morris will be a member of the directorate of the head office. Mr. and Mrs. Morris will travel to London by way of the United States where they will visit relatives in Virginia which is Mr. Morris' home state. On Friday evening, Nov. 25, the local directors and foreign members of the staff to the number of 160 gave a farewell dinner in Mr. Morris' honor at which several members of the staff delivered speeches expressing regret at Mr. and Mrs. Morris' departure. Music was supplied by the Northampton Regimental Band and souvenir menus were distributed containing a photograph of the departing general manager and a poem entitled, "An Appreciation of W. M." Both Mr. and Mrs. Morris have been active in the affairs of the foreign community at Shanghai.

William Morris

United States Steel Corporation Earnings Decrease G. $10,000,000

According to a New York cable appearing in the Paris edition of *The Chicago Tribune* on October 25, the net earnings of the United States Steel Corporation for the third quarter of the year amounted to G. $41,383,831, a decrease of approximately G. $10,000,000 from the corresponding quarter of last year. The net earnings for the third quarter of 1926 were G. $52,625,000. The earnings for the second quarter of 1927, preceding the one for which the falling off was noted, amounted to G. $46,000,000.

The report in *The Tribune* did not give any reason for the falling off but an analysis of financial and economic conditions in the United States published by the National City Bank on Nov. 1 stated that "conditions in the iron and steel industry have been disappointing, the demand during October having failed to show hoped for increases and mill operations closed the month at around 65 percent of capacity, or close to the low point for the year."

In connection with activities of the U. S. Steel Corporation it was stated that no successor has as yet been found for the late Elbert H. Gary, Chairman of the board of the Corporation who died sometime ago. It was reported, however, that James A. Farrell, president of the Company may be made chairman of the Board in place of Mr. Gary.

Financiers Visit Far East

Charles Hayden, president of the Chase National Bank of New York and a director of the Equitable Trust Company and other financial corporations of the United States, and Daniel Cowan Jackling, director of the Sinclair Consolidated Oil Corporation, accompanied by their wives, are now visiting in Japan on a trip around the world. They are planning to spend some three months traveling in Japan, China and the Philippines, following which they are going to the Malay Peninsula, Dutch East Indies, Persia and Mesopotamia.

D. C. Bess Returns to Shanghai

D. C. Bess, who has been appointed correspondent in China for the *Christian Science Monitor* and several other leading American newspapers including the *Detroit News* and *Baltimore Sun*, has arrived in Shanghai where he will remain for several weeks before proceeding to Peking. Mr. Bess is accompanied by Mrs. Bess and they are living at the China United Apartments. Mr. Bess was previously connected with the *Shanghai Times*.

The Clash Between Russian Reds and Whites in China

BY J. S. J.

I. The Soviet Amnesty Act

ON the recent occasion of the Tenth Anniversary of the Soviet Revolution, the Soviet Government announced an Act of Amnesty, the provisions of which are as follows:—Capital sentences are commuted to 10 years' imprisonment and confiscation of property; all those sentenced to prison terms of more than one year are to be released if they have served two-thirds of their sentence; all those sentenced to varying terms of imprisonment up to six months are to be immediately freed from punishment; toilers, members of the Red Army, the Red Navy or sailors, sentenced to terms of imprisonment up to one year are likewise to be immediately released; all toilers sentenced by the Courts and organs of administration for counter-revolutionary activities during the Civil war up to January 1, 1923, to be released; those sentenced by the State Political Department are to be released after serving two-thirds of their term of punishment; all former officers and military officials of the white Armies are to be exempted from special registration. The Amnesty does not extend to active members of political parties aiming at the overthrow of Soviet order. The Act furthermore provides for the exemption of the poorer layers of the population from various fines and dues imposed by the judiciary or administrative authorities.

On former occasions, the Soviet Government had also announced special amnesties but this time the provisions would seem to be more liberal in scope. We are principally interested in that part of the amnesty which affects "White" Russians, however, and it is, consequently, noteworthy to find that not only all those who participated in activities against the Soviet Government up to January 1, 1923, are to be released or amnestied but that "all former officers and military officials of the white Armies are to be exempted from special registration." (It had hitherto been required of these people to report themselves to the authorities from time to time, in very much the same manner as prisoners on parole in other countries are required to report themselves, and, furthermore, they were demied all the rights enjoyed by Soviet citizens, such as the right to become union members, the right to vote, the right to air their views in the press, and so forth.)

Pity Not Granted Earlier

But it is a pity that this amnesty had not been granted a good deal earlier, say, upon the first or second anniversary of the Revolution, for, then, much of the rancor between the "Reds" and the "Whites" would have been removed, and there would not have been all these dangerous demonstrations as we have recently witnessed from Manchuli to Harbin and from Suifenho to Changchun and eventually on to Mukden, Dairen, Tientsin and Shanghai. Had this amnesty been proclaimed and observed long ago (and its provisions made yet more liberal), many of the "Whites" would have returned to Russia instead of remaining in alien territories, ignorant of any language and custom but their own (as at first) and wholly dependent upon foreign benevolence for a living,—sometimes under miserable conditions!—as well as upon War Lords who may find it opportune to employ the "Whites" in their rank and file and in arsenal and other specialized war work. To what good use all these "Whites" could have been put at a time when Soviet Russia needed all the man-power available for the grandiose reconstruction it needed, and what an excellent propaganda it would have been after the inevitable reign of terror caused by the success of the long-sought-for overthrow of the most hated autocratic regime in Europe!

During all these years of rancor between the "Reds" and "Whites," one important fact has been allowed to be clouded. In all the campaign of recriminations carried on against the Soviet, the blame for all the real and imaginary evils in Russia under the Soviet regime is placed upon the handful of "Red" leaders. Lenin, Trotsky and other "Red" leaders are held responsible for the collapse of the Czarist regime whereas, as a matter of fact, this collapse was rendered possible through the disintegration of the Imperial Army at the front in view of the graft and other disgraceful practices of the high officials of the Imperial Government departments, which included the persistent sending of shells to the front that would not fit the guns, inadequate rations, disgraceful footwear, etc., etc., as in the case of the Russo-Japanese War. True, the "Red" leaders took this excellent opportunity to get into power—to remove the backboneless Kerensky who promised a lot and accomplished little—but the unrest prevalent in the Army was the primary cause of the great success of the "Red" Revolution of which the Soviet Government is this year celebrating the Tenth Anniversary.

As we have said, on former occasions the Soviet Government had also announced amnesties but the promises made to political fugitives were sadly betrayed as in 1924, for instance, when a number of "Whites" in China and elsewhere abroad were enticed to re-enter Russia. On that occasion scores of these people were put to death or sentenced to long terms of imprisonment "for having taken part in anti-Soviet movements." It did not take long for all the facts to leak out. Naturally, those who preferred to remain behind for the purpose of seeing how the pioneers in the "return-to-Russia" movement would fare at the hands of the Soviet refused to accept subsequent "amnesties" in good faith. Propagandists against the Soviet took full advantage of the situation to distort facts and cloud issues with the result that very few people remember now-a-days that the collapse of the Czarist regime originated with the Imperial Army caused in turn by unscrupulous high Imperial officials in charge of the various departments.

Conditions have altered a good deal for the better in Russia now and there seems to be very little doubt that the promises made in this latest amnesty are meant to be kept, but, all the same, it would not succeed in convincing the many thousands who would otherwise have been glad of an opportunity to return to the homeland. Hence, we repeat, what a pity the Soviet Government failed to pass this present Amnesty Act way back at the time of the first or second anniversary of the Red Revolution.

II. The Rancor Between Reds and Whites

When the Bolsheviks came into power, they brought in with them a reign of terror. Thousands upon thousands fled to Siberia where the "Reds" had not yet invaded. Taking advantage of the situation, a number of the old Czarist militarists, lusting for power and scenting riches,* gathered a following and, with direct and indirect outside assistance, commenced operations against the "Reds." Thousands of soldiers, veterans of the war game,—and not sure of their standing with the new order of things,—took up arms against the new regime. Vast numbers of men, long educated upon the "evil ways of the Jews," were enlisted for service with these anti-Red armies upon the strength of the propaganda that it was "of paramount importance to rid Russia of the Jewish regime." It did not matter to these "White" adventurers that the Bolsheviks included real Russians; that the collapse of the old order originated with the Imperial Army; that already in 1905 serious outbreaks had taken place at St. Petersburg, for which the Jews were not responsible, and so on. Indeed, had the Russo-Japanese War progressed a few months longer, and had not the late President Theodore Roosevelt been successful in bringing about the Peace of Portsmouth, His Late Imperial Majesty, Nicholas II. would have gone into oblivion long before the Red Revolution.

Really speaking, the rancor between the "Whites" and "Reds" is based upon the perpetual hatred of irreconcilable Russians for the Jews. In Harbin this fact is quite notorious. To these irreconcilables, all "Reds" are Jews and, conversely, all Jews are "Reds." If you of China treaty ports where Russians abound would inquire into this fact, you would immediately find this to be absolutely true. It is note-worthy that, in spite of all the gross injustices Jews in Russia had to undergo under the Czarist regime, the racial hatred is not quite half reciprocal. The Jews are vastly more tolerant than the "Whites"—for one thing they do not look down upon the Russians with the same degree of disdain.

As a matter of fact, we have known of countless numbers of Jews who have had to flee from the Red regime after having all their belongings taken away from them. Amongst those slaughtered by the Bolsheviks in the early days of the Revolution were Jews. Some of those have written most vitriolically against the Soviet system have been Jews. We know of several Jewish men of small means in North China who, prior to the advent of the Soviet regime, used to be quasimillionaires in Russia, but who consider themselves very fortunate for having succeeded to "get" "while the "getting" was good. Now, if you ask the average Russian refugee out here in China about these Jews, the description would unquestionably be: "Why, Jews! and, therefore, Bolsheviks!"

Dangerous Mentality

Naturally, such a state of mentality is highly dangerous, and is fraught with grave consequences when people harboring it are employed in public administrations. In Shanghai, the Municipal Council employs a large number of Russians in the police department. Not knowing exactly the real conditions under which these "White" Russians serve the Shanghai Municipal Police, we are, of course, not entitled to pass our remarks upon them. But in Manchuria,-especially in Harbin where the Russian community is such a large one,—where

*Ataman Semenoff amassed millions and still has an unsettled case in the Japanese Courts involving a huge sum. Other "White" leaders have feathered their nests with ill-gotten gains during the time of the intervention.

Chang Tso-lin employs many Russians in administrative departments, there is considerable abuse of authority, with Jews and Soviet citizens as the victims. The "White" Russian who is, for the moment, unable to pay his tax, is usually shielded by his "White" friends in the Tax Bureau until such time as he could pay up. The "Red" or Jewish taxpayer in a similar "fix" is railroaded before the Court and his case is made as black as possible against him. "White" demonstrators against the "Reds" are allowed much latitude. The "Reds," on the other hand, fall into very evil circumstances should they find an opportunity to hold a demonstration.

In Harbin there are a number of "Red" and "White" organizations whose members are mostly young men and women with a political bent of mind. Sometimes these misguided youths would go on the rampage and attack members of opposing organizations with knives, knuckle-dusters, clubs, etc. Any "White" youths caught in the exercise of brute force are let out on easy bail and when they are hauled before the Court, somehow or other they manage to get off on pretty light terms. But woe befall the "Reds" when they go on the rampage! Browbeaten and held in cells, they invariably receive stiff sentences.

"White" newspapers come out, day by day, with diatribes against the "Reds." "Good-night" to the "Red" editor, however, who makes charges against the "Whites." The man who holds an "immigrant" passport is usually all right; the man who possesses a Soviet passport is a "dangerous fellow" and, therefore, must be watched.

III. Chang Tso-lin Influenced

Someone has aptly written that Chang Tso-lin has been greatly influenced by "White" propaganda; that but for the activities of the "White" Russians in the Harbin administrative departments in the direction of making mountains out of molehills, he would, by now, have come to some arrangement with Moscow. That way down in his heart the marshal is not averse to trusting Soviet officials is illustrated by the fact that when the Soviet government recalled Krakovetsky, former Consul-General at Mukden, he passed the remark that it was a great pity, "since he was such an intelligent and amiable gentleman, and so well versed in things Chinese.

This is no apology for the "Reds" either in China or in Soviet Russia. They have blundered very sadly and have had an unscrupulous hand in the Chinese war game. Their representatives in China have worked at cross-purposes and have roused the ire of the Chinese people. Borodin who at one time held such great influence over the Nationalists had eventually to flee. The name of Karakhan is in very bad odor.

While "giving up all the rights formerly held by Czarist Russia in China," Moscow has in recent years shown itself to be just as unscrupulous as the Czarist regime. In spite of the fact that the Mukden Agreement of 1924 clearly stipulated that either side was not to carry on propaganda activities in the territory of the other, thereby undermining its authority, the Soviet Government has made use of the various unions along the Chinese Eastern Railway in the dissemination of Soviet propaganda on Chinese soil.

This is neither an indictment of the "White" Russians in general. They are, in the main, victims of circumstances. As already said, it is a pity that when the "Reds" came into power, they failed to see the wisdom of a "live and let live" policy. Or, after the spell of terror through losing their heads over their successful revolution, that the present Amnesty Act was not passed at the time of the first or second anniversary of the Revolution. It would not only have stemmed the thousands from escaping from Russia but would in all probability have enticed many who had escaped to return home.

The "Reds" thought themselves supermen, capable of achieving everything at one fell stroke. Had they been more moderate, they would have saved the country from the dirty intervention business with all the catches some of the Powers found it opportune to devise.

Up to this very day, as a result of this failure to realize the value of keeping the population at home, propagandists have made martyrs out of the "Whites" abroad and die-hards have goaded these "Whites" into desperate acts against "Red" representatives. Thus it is that during the Soviet celebration of the Tenth Anniversary of the Red Revolution, we have witnessed dangerous demonstrations from Manchuli to Harbin and from Suifenho to Changchun and then on to Mukden, Dairen, Tientsin and Shanghai.

Harbin, November 14.

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Why Chiang Kai-shek Has Come Back

BY C. Y. W. MENG.

AFTER touring in the Island Empire for about one month, Chiang Kai-shek, ex-generalissimo of the Nationalist Party, to the surprise of all, has re-entered Shanghai. Previous to his departure, it was rumored in Japan that he would come back to China, but as to the exact time of his departure, no one had any knowledge. When he arrived in Shanghai, only a few of his intimate relatives and friends knew of it and they received him at the wharf. In other words, his departure and arrival were intended to be kept secret.

The reasons for his coming back are somewhat mysterious. Some say his coming back is solely for his marriage. But others believe that in coming back to China, he has other things in view also.

Not For Marriage Alone

It is to be remembered that in his farewell manifesto, when he decided to retire to private life, he said the following:

"First, I recognize that the Party is the highest of all and all personal advantages and interests must be given up for the sake of the party.

"Secondly, I regard the protection of the integrity of the Party as the highest duty of each member, and if any member usurps the powers of the Party, I will exert all my efforts to excommunicate him".

From the above, it is clear that Chiang Kai-shek has always Party and Nation in mind.

Three months have elapsed since his retirement. Let us review what has been achieved as a result of his retirement.

About two months ago, Sun Chuan-fang, having entered into a secret agreement with Tang San-chi for a joint attack on Nanking, made a "coming-back" attempt to cross the Yangtsze, and he had actually crossed it and reached the outskirts of the Nanking city wall. Had it not been for the courage and efforts of the two Nanking generals, Nanking, the capital of the new Nationalist Government, might have now again been converted into a Capital for the once Five Province Warlord!

Secondly, the unification of the Hankow and Nanking factions, which was the primary objective of his retirement, was at last broken, first by the opposition of the Central Special Committee by the Wuhan men, and second, by the declaration of war against Tang San-chi by the Nanking Party.

Thirdly, the communistic elements which have been severely suppressed under Chiang's regime have now again been active. The recent communistic riots in Ishing and Wushih are still fresh in our minds.

Hoped For Unification

By his retirement, the Ex-generalissmo expected that the two opposing factions of the Kuomintang would unite and thus the northern expedition could easily be accomplished. But so far as the situation, as described above, stands, it is very disappointing. The present situation, though pessimistic, may not attract the attention of the ordinary people, but to the man who "recognizes the Party as the highest of all" and "regards the protection of the party as the highest duty of each member" it is different. Certainly, Chiang Kai-shek would not be willing to see his Party destroyed, and the revolution ruined merely by a few trouble makers. In his reply (dated Oct. 10) to Mr. Wang Ching-wei, Mr. Chiang had said the following:

"That the Revolution has been handicapped is not due to misfortume, but rather due to the fault of men, for which we are jointly liable." Further, he said, "Though I am going to America and Eorupe, yet anything that I can do for our Party will be gladly done".

It is further reported by the telegram from Hongkong that Mr. Soong Tse-ven, who went to Canton a few weeks ago to meet Mr. Wang Ching-wei, is said to have brought a "hand-written letter" from Chiang Kai-shek to Mr. Wang urging the latter to come out together to handle the situation. In the Chinese newspapers dated Nov. 15, it is said that in Canton it is widely reported that Chiang Kai-shek has sent another telegram to Mr. Wang and General Li Chi-ching urging them to come to Shanghai, and it is further reported that Mr. Wang and General Li in response to his request will soon sail for Shanghai.

In his interviews with some Shanghai journalists, Gen. Chiang emphasised that "marriage is a small matter while matters concerning Party and Nation are more important". Asked whether he would again assume the post of Generalissmo of the Nationalist army, he answered emphatically, "No". But asked whether he would attend the Fourth Plenary Meeting of the

Kuomintang, he answered, "Anything that I could do for the Party, would be gladly done and if the participants think that my presence is desirable, I will comply with their request."

From the above, whether Gen. Chiang's coming back is purely for his marriage or for "something" else is clear. When the time and the circumstances are further closely examined, we believe that Gen. Chiang in coming back to China must have a definite purpose in mind. When Shensi declared war against Fengtien, Gen. Chiang knew that the chance had been given for the early accomplishment of the Northern Expedition. When the Fourth Plenary Meeting of the Kuomintang was proposed by the Wuhan men and was agreed upon by the Nanking men, Gen. Chiang knew that the time had come for the unification of the Kuomintang. This is probably the best time for him to fulfill his words that "anything that I can do for our Party will be gladly done". We know too well that it is not possible for him to assume the post of Generalissimo of the Nationalist Party, but it is quite possible for him to attend the coming conference, as he had only resigned the post as the Generalissimo of the Nationalist Army but not the post as a member of the Central Executive Committee.

Wang and Chiang

It is strange to relate that right after his arrival at Shanghai, it is said that Wang Ching-wei in Canton would also come to Shanghai in a few days. This may be purely a strange coincidence, but may be it has some meaning in it.

When we recall the fact that it was the wrath of Mr. Wang that at last forced Gen. Chiang out of politics, we could not but doubt the possibility of ever having such a meeting of two leaders of two opposing factions in Shanghai. Could both of them set aside their former personal differences and both regret what they had done towards each other before, and be more conciliatory this time, the unfication of the Kuomintang would be accomplished without question. But should the same attitude of looking upon each other as bitter enemies be maintained, we may definitely say that there would be no more hope of unification of the Kuomintang party until the death of these two leaders.

But fortunately enough, the tide has turned! Their attitude towards each other has been much more friendly than ever before! They have really changed their attitude from animosity to friendliness. Gen. Chiang has told the newspaper-men that he had constant correspondence with Mr. Wang when he was in Japan. Mr. Wang, in his speech delivered before the students of Whampoo Cadets, said:

"It was I who pressed Gen. Chiang, not he who pressed me. I know now he was really doing something for the Party. I regret that I had done so. I will now join with him". (telegram from Hongkong dated Nov. 11.)

Then, we have every hope of seeing the meeting of these two leaders!

The Coming Conference

We, members of the Koumintang Party, know too well that there are too many problems to be solved within the Party, and we have been looking for a conference which could be participated in by all members, and which will solve all the outstanding problems, so that the Kuomintang, the only political party in China, will be again placed on solid foundation. But so far, we have been disappointed. We have heard the calling for such a conference, but at the same time, we have seen that when the conference is just going to be held, we always find the "escapes" of some members. Now it is probably the time that members of the Kuomintang Party have all realized the necessity of having such a conference, to consolidate the party before any success can be achieved. Telegrams from Canton have told us that the Canton Party is extremely conciliatory towards the Nanking party. They agreed that the informal meeting be held in Shanghai, and the formal meeting in Nanking—these being the demands from the Nanking Party. The Nanking party is said to have consented also to the suspension of the function of the Special Committee pending the meeting. Being both conciliatory in attitude and sincere in speaking for the unification, the time is not far off when we shall see a real unification of the Kuomintang Party. But this could not be accomplished had Gen. Chiang not come back from Japan!

Nov. 15, 1927

Former Disbursing Officer Under Arrest

Henry F. Krenz, former disbursing officer of the United States Legation at Peking, was arrested at Singapore recently and has been brought to Shanghai for trial. Krenz is being charged, on a warrant sworn out against him at the United States Court for China, with embezzling, between October 13 and October 25, United States monies amounting to G$31,450. He is alleged to have embezzled this sum while he was disbursing officer at the Peking Legation.

"Mystery" Strikes in the Yangtszepoo District

BY B. Y. LEE

SINCE the general clean-up of alleged Communists last spring by the loocal Chinese authorities most factories, particularly the cotton mills, have enjoyed an era of industrial peace in Shanghai, free from any general organized, serious labor trouble. However during the present month of November, the agitators have been active again, particularly in the cotton mills in the Yangtszepoo district, where strikes of unkown origin have been taking place almost daily in the various cotton mills. At present there are 58 cotton mills in operation in Shanghai (including two in Woosung and two in Pootung), and of these the Japanese own 32. They are located mostly along Soochow Creek and in the western district. In the Yangtsepoo district, particularly in and within a short distance of Lay Road there are 16 mills, six of which are Chinese-owned, three are British-owned and seven are Japanese-owned. These are the places where the radicals have been most actrve.

The reasons why the agitators have chosen this particular district as a target for attack are many. In the first place the Yangtzepoo district is crowded with many factories besides the cotton mills. It is a great industrial center in Shanghai on account of the convenience of its communications and transportation both by road and by water. The factories in the Western district are more or less scattered over a wide area and it is more difficult for the leaders to make an attack there.

The second reason is that there are very few well-to-do people residing in the Yangtzpoo district, nearly all being of the working class, living in cheap quarters. The Shanghai Municipal Council has always paid less attention to policing of this area than it does in the Western district. The radical labor leaders have a better chance to hide and escape being caught in this district than is the case in the Western district. They can escape by water to Pootung and inland places and motor cars to Woosung and other adjacent towns without much difficulty.

A List of the Mills

The third reason is that the average size of cotton mills in this district is somewhat larger than elsewhere. Take the San Sing Cotton Mill as an example. It is one of the largest and oldest in the country; also the Ewo Cotton Mill which is British owned. The following is a list of the mills in the Yangtzpoo district.

Name of the Mills	*No. of Spindles*	*No. of Looms*
Wing On (Chinese)	40,000	750
Hou Sung „	60,688	920
Heng Foong „	44,000	612
Chen Wha „	13,548	
Wei Tung „	24,576	
Sang Sing „	69,880	1,000
Ewo (British)	72,312	1,900
Yangtzepoo „	55,632	448
Oriental „	50,000	
Shanghai No. 1,2,3 (Japanese)	96,424	2,187
Tung Wha „	45,440	
Dong Sing „	28,000	1,040
Kung Dah No. 1,2. „	83,352	803
Dah Kong „	58,000	620
Toyo „	48,000	

The origin and the nature of the strikes during this month have been quite different from those of the past. Generally speaking, labor strikes in China in the past have been due to demands for better and improved working conditions, higher wages and shorter hours, or have a political motive The present strikes mean merely suspension of work, but n. demands of any kind have been presented. Practically no operatives in the mills have taken part in the strike agitation except a few labor agitators who are alleged to be paid by Communist organs. In some cases strike pickets and agitators have obtained arms.

Agitators Work Inland

More than 90 percent of the operatives in cotton mills are women and little girls. About half of the remaining portion belong to the coolie class and the rest or five percent or even less may be called the intellectual class of laborers, who have some elementary education. It is the latter class which includes most of the agitators. Ordinarily Chinese laborers are peaceful and easily managed if uninterfered with by professional agitators. The cotton mill industry is one of the largest industries in Shanghai and employs more laborers perhaps than any other single line of industry, hence it is comparatively easy to organize strikes owing to the presence

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of large numbers of laborers engaged in the same type of work.

A general strike in all cotton mills was alleged to have been called for November 1, but for some unknown reason the scheme did not materialise. The agitators are then said to have gone to Ishing and Soochow, where peasant uprisings developed. The recent riots in the city of Ishing, near Wusieh, resulting in the death of several constables and complete isolation of the city for a time due to cutting off of all communications, are alleged to have been started by the same agitators. Every cotton mill in the Yangtzepoo district has had one or more strikes during this month. Some mills have been closed down since the first part of the month and others have been able to operate only partially. Several foremen have been killed and wounded by labor agitators.

According to the allegations of the mill proprietors a considerable number of male workers of the intellectual class who receive from $20 to $40 a month from the mills also receive financial support allegedly up to $80 and $100 a month from outside sources for the purpose of calling strikes. This outside pay is cut off when the laborers are working. In a real sense the so-called strikes are not strikes at all, but simply threats that frighten the women and children laborers causing them to leave their work. In some cases it is creating disorder inside the mills.

The Trouble at the Wing On Mill

On Novemble 7, the Wing On Cotton Mill on Lay Road had an interesting strike experience. A woman foreman who had been faithful to the mill and had repeatedly refused to listen to the agitators was threatened by a number of men armed with pistols who ordered her to obey their commands. She managed to run to a telephone booth which she communicated with the general office. Immediately the mill guard, consisting of men armed with pistols, rushed to the scene. The agitators, seeing their scheme frustrated, fired several shots, injuring two operatives and causing great confusion, during which the operatives ran out of the mill and refused to return to work. When the shots were fired, the mill foreman telephoned to the nearest police station for help, but no police came for about an hour after the shooting. The mill was only partly reopened on Nov. 24 under a heavy guard. Now the mill has erected a steel iron gate at the entrance to prevent agitators from gaining access to the works.

The San Sing Cotton Mill had as imilar experience three weeks ago. In the front of the mill, which faces Yangtzepoo Road, there are many Indian policemen on guard. Agitators, some thirty in number, realizing that they had no chance to enter the premises with pistols boarded a small boat carrying raw cotton to the mill at the back.

They fired a few shots, injured a few operatives and thus caused a great panic among the innocent workers, causing damage to the machinery. They made their escape before the Municipal police arrived. Since then the workers have been constantly intimidated and fear to return to work.

The Hou Sung Mill also on Lay Road had a strike on November 9. After two weeks of negotiation a majority of the workers agreed to return to work. On Nov. 26 a five o'oclock p. m., a gang of agitators consisting of 20 persons tried to rush into the mill. Fortunately the iron gate at the entrance was locked and the watchman refused to open the gate. The agitators fired several shots and the watchman was seriously wounded in the leg. Before the Municipal police arrived, the rioters had escaped.

Loyal Workers' Families In Danger

The managers and the chief engineers of all Chinese owned mills in this district have removed their families from place to place to prevent agitators from finding them. Three weeks ago the home of the assistant manager of the Heng Foong Cotton Mill on Washington road was ransacked and burned. The homes of the Wing On Cotton Mill's manager and engineer have frequently been visited by laborers, who made inquiries. Frequently members of the families have been frightened with pistols when the doors of their houses were opened. The chief engineer of another Chinese mill is said to have concealed himself in an attic of a small house in the mill compound for two days on account of the threats of pickets and agitators.

Chinese factories outside of the Settlement can get Chinese soldiers to protect them in time of emergency while foreign-owned factories, inside the Settlement either British or Japanese, can easily get soldiers of their own nationals to protect them. Chinese factories located in the Settlement can get neither Chinese soldiers nor foreign soldiers, or even additional Municipal police for protection on short notice. Hence Chinese industrialists in the Settlement are in a difficult situation.

Since the outbreak of labor troubles early this month, practically no pickets or paid agitators around the Chinese mills have been interfered with by the municipal authorities, a strange situation, since the British who control the settlement are supposed to be opposed to communist propaganda. The local Chinese Garrison Commander has issued a proclamation warning pickets and paid agitators in Chinese territory, with severe penalties. The Chinese mill owners are wondering why the Settlement authorities do not take similar action in cases where outside agitators call strikes apparently for no reason conected with the welfare of the workers.

Shanghai, Nov. 28, 1927

Where Decency Will Mean Millions

(*Detroit News, Oct. 31*)

Dr. Jeremiah W. Jenks, president of the Alexander Hamilton Institute, painted a wonderful picture of our future trade with the Far East, and particularly with China, before the convention of the National Association of Manufactwers. Among other things he pointed out that China's purchasing power for foreign goods is only about $2 per unit of population, while that of Great Britain is $147. The tendency should be for China to improve her purchasing power with the acquisition of greater knowledge of western life, as Japan has done. When she does so, her market of 400,000,000 people will be one of the most important in the world.

This looks like good reasoning. What follows? American manufacturers want to sell to China; they want to build up a better market; they want to be in a position to take advantage of the far greater opportunities China will offer a few years hence. But China is now in turmoil; most of the interior is shut off by war and foreign trade is confined chiefly to the coast cities. Not much can be done at present in the way of establishing selling agencies and introducing American goods.

But a good deal can be done in another direction. Civil war in China will not last forever. Peace will come some day and the Chinese people will go back to work, to the production of goods which can be exchanged for foreign products. With whom will they be most desirous of trading? Obviously, with those nations that have shown the most sympathy, the greatest patience during China's troubles; with those nations that have not tried to take advantage of China; with those peoples that have sympathized with the Chinese in their determination to throw off all forms of foreign control.

The far-sighted manufacturer who wants to enjoy the great future trade of China will therefore discourage any attempt on the part of our Government to maintain rights and privileges forced unfairly from China, or any attempt on the part of any other government to secure the co-operation of America in the maintenance of one-sided treaties signed at the point of a gun. They will be in favor of China for the Chinese. They will wait in patience till China has settled her problems. They will then find themselves preferred traders in the Chinese market, which certainly has all the immense possibilities that Dr. Jenks has depicted.

Mrs. William Prohme Dies of Heart Failure in Moscow

Mrs. Rayna Prohme, wife of Wm. F. Prohme, former manager of the *Nationalist News Agency*, official organ of the Wu-Han Government, died in Moscow on Nov. 25, according to a cable received in Shanghai last Sunday. Although the cable gave no details regarding the cause of her death it is supposed to have been due to heart trouble with which she had been suffering for some time. Mrs. Prohme, who was formerly editor of the *People's Tribune*, published at Hankow, went to Moscow several weeks ago as the private secretary to Madame Sun Yat-sen. She was 33 years of age.

Mrs. Prohme was a daughter of Mr. Simonds, prominent business man and member of the Stock Exchange of Chicago. She held degrees from the University of Illinois and California University and came to the Orient originally in 1923 for the purpose of making a study of Oriental religions as preparation for a Ph. D. degree at the University of California. For a time she was connected with the staff of the Peking Union Medical College in Peking. Upon her graduation from the University of California, she was married to Sampson Raphaelson, well known American playwright but obtained a divorce in 1925 and shortly after was married to Wm. F. Prohme a newspaper man and editorial writer on the *San Francisco Examiner*. Mr. and Mrs. Prohme came to the Orient in 1925 and after working for a few months in Tokyo came to China and joined the Nationalist Government, Mr. Prohme as manager of the *Nationalist News Agency* and Mrs. Prohme as editor, first of the *Canton Gazette* and later as editor of the *People's Tribune*, Hankow.

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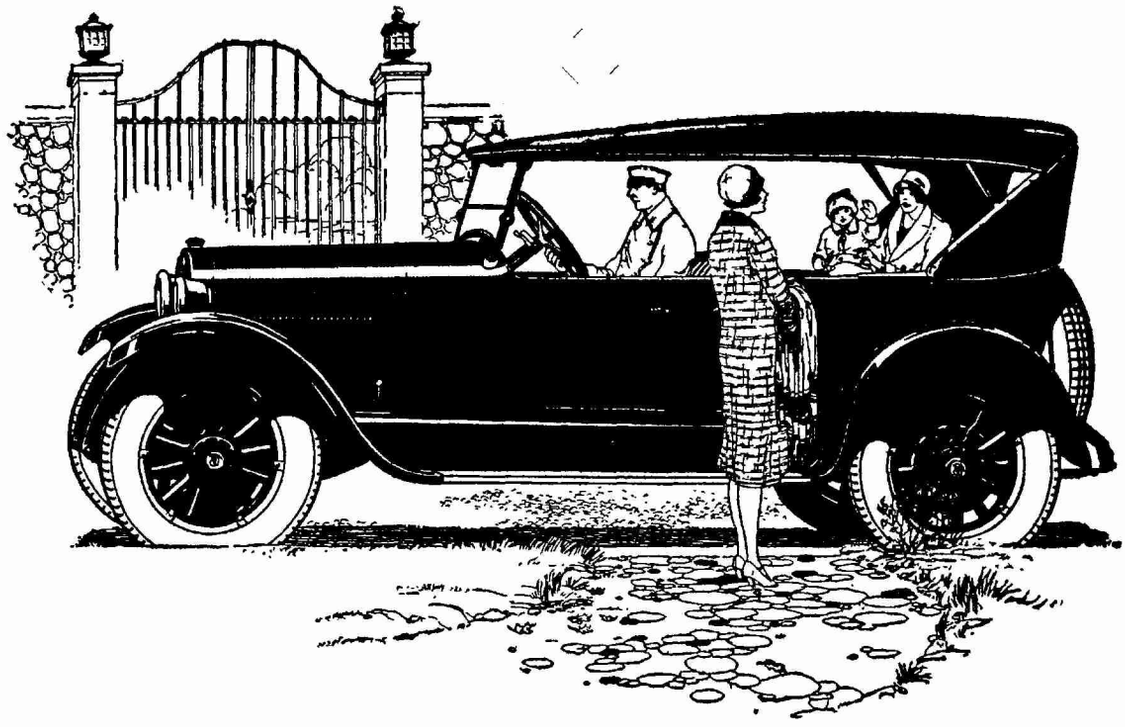

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43-017

Siam's Fight For Sovereignty

BY FRANCIS BOWES SAYRE

(Concluded from last week)

This article by Mr. Francis Bowes Sayre, dealing with Siam's Fight for Sovereignty, the first installment of which appeared in last week's issue of The Review is of special interest in China today owing to the similarity of the problem existing here. Mr. Sayre, is American Adviser to the King of Siam. He is a son-in-law of the late Woodrow Wilson. The article appeared originally in the Atlantic Monthly.

The difficult task remained of convincing the French Foreign Office of the truth of these facts in the face of an adverse report from the French Charge at Bangkok, and of doing so without undergoing the long delays incident to an ordinary judicial trial. Until the French treaty was signed there was little hope of securing other treaties. It was not enough that the French Foreign Office had agreed to ask for no indemnities. For the sake of the other treaties France must be persuaded to sign the new treaty forthwith in the very face of this unhappy incident, and to sign it without additional demands or modifications. Fortunately the affair had so far been kept out of the French press; but the downfall of the Herriot Ministry was already threatening, and the Foreign Office feared that if the treaty was signed in complete disregard of such an incident the opposition press might still publish the story in an exaggerated form and cause the overthrow of the Government. Followed anxious days, discussions, lengthy cable dispatches, persuasions, proposals and counterproposals. For a week the outcome lay in the lap of the gods. In the end Siam's efforts prevailed. France agreed to sign the treaty forthwith, and on February 14, at one o'clock, Premier Herriot as Minister for Foreign Affairs, and Prince Charoon, the Siamese Minister, attached their signatures to the document that meant so much for the future of Siam. Victory, after months of uncertainty and struggle, had come at last!

V

The delay in getting the French treaty signed prevented the opening of British negotiations until late in February. The outlook in London was discouraging, The British Minister to Bangkok, who had been in London in conference with the British Foreign Office, had just departed for Siam. The British Labor Government, which had on several occasions shown a friendly interest in Siam, had been overthrown and succeeded by a Conservative Government. Furthermore, when, several months before, the Siamese Minister of Foreign Affrirs had approached the British Government suggesting a treaty revision, Great Britaion had given a noncommittal reply, but requested that if conversations should be opened they should be carried on in Bangkok. a request which the Siamese Minister felt unable to refuse. Altogether the situation seemed far from hopeful.

Mr. Austen Chamberlain, in our opening interview at the Foreign Office, presented the British point of view with great frankness and fairness. The United States, he said, could afford to surrender existing treaty privileges in Siam, because American trade there was, comparatively speaking, non-existent. With Great Britain the situation was very different. Over eighty per cent of the entire Siamese export trade was to British territory, and some sixty-seven per cent of Siam's imports were from British territory. If Siam should be released from the three-per-cent tariff restriction and should suddenly impose a heavy import tariff, great hardship would result to the British merchants concerned. For this reason, while Great Britain might be willing to agree to a moderate increase in the existing three-per-cent restriction, she could not feel justified in granting to Siam complete tariff autonomy. Furthermore, British trade in Siam had assumed such substantial proportions that Great Britain could not afford to take the risk of jeopardizing her commercial interests in Siamese law courts without adequate protection; the presence of European legal advisers constituted the surest guaranty of such protection. For these reasons, Mr. Chamberlain confessed, it would seem premature at this time to surrender the existing treaty privileges.

These arguments seemed, in the light of immediate interests, difficult to answer; nevertheless one could not but feel that in the long view Great Britain would be making a mistake in taking such a position. To the reasons for this Mr. Chamberlain listened with an uncommonly open mind; and he attentively considered our suggestions for securing practical and adequate protection for British interests in Siam by methods so framed as to avoid infringing Siamese sovereignty or wounding the national pride of the Siamese.

At the end of an hour's talk Mr. Chamberlain had convinced us of his sincerity and his fair-mindedness. 'We had made up our minds to refuse the things you ask,' he said. 'But you have put a new light upon the situation. What you propose seems to me reasonable and fair. If you can convince the experts and heads of departments of the Foreign Office, of the Board of Trade and the Department of Overseas Trade, of the Colonial Office and of the Indian Office—if you can convince them as you have me, while I can't make any definite promises, I don't see why we shouldn't be able to enter upon negotiations along the line you propose.' Siam had won her fighting chance!

A day was appointed in the following week for Siam to argue her case before the assembled representatives of the several ministries concerned. In the meantime our concrete written proposals were submitted to the various government departments, and were further explained and urged in intimate personal conferences with those who were particularly influential.

On the appointed day we met with the assemblage of British representatives around a long table in the British Foreign Office. Everything depended on the outcome. It was clear that, if Great Britain refused to give Siam a new treaty, Italy would likewise refuse. Also Portugal and Spain, and probably Denmark, Norway, and Sweden. We discussed the British position in Siam from almost every angle; the British experts showed by their searching questions how carefully they had studied our proposals and suggestions, and for a whole afternoon, amid the rapid fire of question and answer, the tide of battle hung uncertain. All forms of diplomacy had been dropped; with utter frankness we sought to reach the fundamental truth. We endeavored to explain the weak as well as the strong points of our proposals; and the British representatives were equally frank and aboveboard. At the end of the day we saw eye to eye, and the British Foreign Office said, 'We'll give you a treaty along the lines which you propose.'

Followed a month's intensive work of hammering out a draft which would relieve Siam from the old, unjust restrictions and yet which would not leave British interests unprotected. It was agreed to wipe away all the former treaties, and to replace them by a a new General Treaty and a comprehensive Commercial Treaty framed in the new spirit along the lines of our initial proposals. We held numerous meetings with assembled representatives of various British offices and found our minds clashing over many technical details and questions of minor importance. For instance, in connection with the treaty provision which required the payment of drawbacks on the re-export of goods not consumed in Siam, the Indian Office desired a provision releasing Siam from having to pay drawbacks on filled gunny bags but forbidding the imposition of an import duty on them in excess of one per cent. To this Siam could not agree; for her main export is rice, which is handled in gunny bags, and should the price of foreign gunny bags be greatly advanced, Siam might one day have to manufacture her own, and temporarily impose a moderate duty exceeding one per cent. It was therefore necessary to find a formula which would satisfy the Indian Office and yet which would not saddle Siam with an injurious restriction. Similarly, provisions respecting the general granting of forestry concessions and oil rights must be dealt with in a way such as would not hamper Siam's future development of these industries. Intricate legal problems arose over the rights of children born in Siam whose parents were natives of Burma or of British protectorates; questions arose as to the probate of estates of British subjects dying in Siam. The position of India and the self-governing British Dominions with regard to treaty rights and privileges in Siam opened up fresh complications and problems. These and a hundred other questions furnished many contentious points; yet never once during the course of the negotiations was there resort to subterfuge or concealment. We sought a common object, and in mutual wholehearted confidence hurdled all obstacles which lay in the path.

By the end of March we had provisionally agreed upon drafts which embodied even more than we had originally planned to ask. Without compensation Great Britain agreed to surrender all her existing treaty privileges in Siam and to recognize in precisely the same terms as in the American treaty Siam's complete right to judicial and fiscal autonomy. The old treaties had been irrevocable and eternal; the new General and Commercial Treaties were each made terminable after ten years by either party. Siam in return agreed not to impose any customs duty in excess of five per cent *ad valorem* upon textiles, upon iron, steel, or manufactures thereof, or upon machinery manufactured in British territory and imported into Siam; but this undertaking was limited to ten years after the coming into force of the treaty, after which Siam's hands were free. In short, Great Britain agreed that henceforth British influence in Siam should be built upon Siamese goodwill rather than upon irritating and irrevocable

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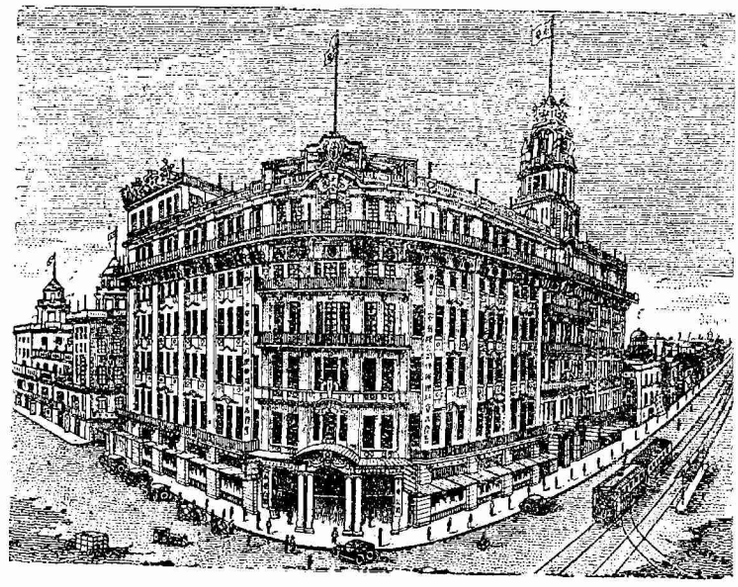

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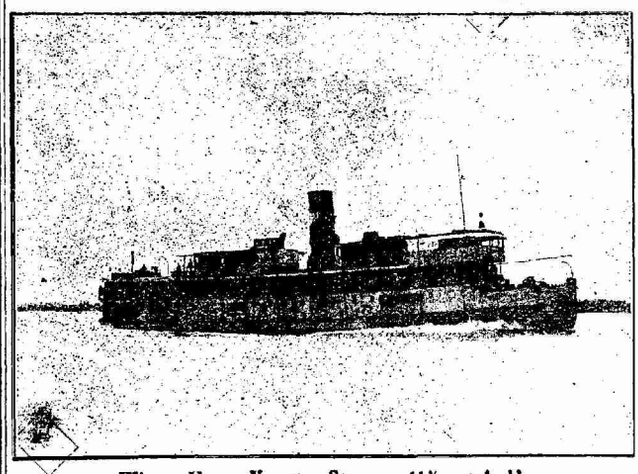

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treaty restrictions. It was a farseeing step for Britain to take. The provisional treaty drafts were mailed to Bangkok to receive the detailed consideration of the Siamese Government and the comments of the British Minister to Bangkok; the five or six weeks which must elapse before cabled replies could come would afford an opportunity to push negotiations in other countries.

During the course of the British conversations, negotiations with the Netherlands Government were pushed with all possible speed; the night boat across the Channel made it possible often to spend alternate days in London and The Hague. The Netherlands were generous in their response to Siam's appeal; friendly understanding and mutual confidence smoothed away all difficulties. The questions raised by the Netherlands treaty were far less complicated and fewer than those raised by the British; consequently, as the British draft took shape the draft of a new Dutch agreement progressed even more rapidly. Therefore by the time the British drafts were completed a new Netherlands treaty text had also been agreed upon, closely following the American model. The day following the dispatch of the British text the Netherlands draft was mailed to Bangkok. In the opening days of April we took the train south to begin negotiations with Italy.

VI

At Rome Siam's case was urged, first before individual influential officials of the Italian Foreign Office, and later before a formal group appointed to consider the matter. Italian interests in Siam are comparatively small; and Italy saw little reason for changing the existing situation. The progress of the negotiations seemed so slow and uncertain that a conference with Premier Mussolini was arranged. At the last moment Signor Mussolini was prevented by illness from keeping the engagement. Time pressed; and, leaving Rome, we returned to Paris and took the Sud Express for Lisbon.

"Portuguese" Chinese

A new Portuguese treaty was of particular importance to Siam; for, apart from gaining the right of fiscal autonomy, Siam is embarrassed by large numbers of Chinese residents who claim exemption as Portuguese proteges by virtue of alleged birth in the Portuguese colony of Macao near Hongkong. Proof of the falsity of each individual claim by patient investigation and the securing of contrary evidence fails to deter others from indulging in the same practice; apparently this is only one of the inevitable and incurable outgrowths of the system of extraterritoriality.

The political situation in Lisbon is peculiar. Ministry succeeds ministry with startling rapidity; the regularity of the process is broken only by revolution. A minister's hearty support may prove valueless with his removal a few weeks later. The frequent changing of cabinet positions concentrates power in the hands of the permanent officials. Yet these cannot be reached except through their minister. Accordingly we first held conferences with the Minister of Foreign Affairs. After his support had been gained, no one could have been more courteous to us than he; yet, as we well knew, the real battle still lay before us.

Of one man we had been warned on several sides; if the path of our treaty led through his office, we were told, our quest would prove well-nigh impossible, for he was infinitely difficult to win and, once having made up his mind, adhered unwaveringly to his decision. Our hopes fell when we discovered that he headed one of the important divisions of the Foreign Office without whose sanction no treaty could pass. After holding conferences with several of the other heads of divisions with varying measures of success, we secured an appointment to confer with him on the last day of April

It was with rather gloomy forebodings that we walked down the long, highly ornamented corridors to the former bedchamber of the King, which with the coming of the Republic had been converted into an office, But to our delight we found that here was a man of brains and character who had really studied and digested our proposed treaty draft, and was prepared to act. We entered into detailed discussions with him, and that very afternoon agreed to various modifications in the draft; and when we parted we realized that of all in Lisbon he best understood the point of view of Siam. He proved our staunchest friend; when seemingly insurmountable obstacles arose in other divisions of the Foreign Office, he championed our cause and overcame the opposition. Had it not been for him, Siam in all probability would not have won the treaty.

In the end the provisional consent of the various officials to a treaty closely following the American model, and also embodying a general arbitration clause, was won. The draft could not be finally approved, however, until it had gone before various bureaus and legislative committees. Our friends in the Foreign Office promised to expedite matters as much as possible and to defend the draft if necessary; in the meantime negotiations could be opened in Spain.

1928

The Year 1927 is drawing to a close and 1928 will be here shortly! What about your business plans for 1927?

Vast changes have taken place in China since the beginning of 1927—changes in the political and economic situation—changes in the relations of Chinese and foreigners—changes in the methods of doing business in this port of the world.

Have you changed your business methods to meet changed conditions, or are you still trying to operate your business in accordance with conditions which prevailed in 1926, or 1914 or even in 1900?

There are three ways of meeting the changed conditions which prevail in China to-day: You can butt your head against a stone wall hoping in some miraculous way to bring back old conditions; or you can bury your head in the sand, hoping the storm will blow over so you can lift your head up and resume business in the good old way. Or you can change your methods of doing business to meet changed conditions.

It's the man who changes his methods to meet changed conditions who usually succeeds. Those who butt their heads against stone walls and those who adopt ostrich tactics usually pass out of existence, relinquishing their places to newer men with newer ideas.

From the standpoint of many business men in Shanghai, the year 1927 was a year of opposition to changes which were inevitable. The new year of 1928 will be a year of more changes, requiring still more readjustments than were required in 1927.

The wise business man in 1928 will be the one who recognizes that political and economic changes in China have been inevitable; who recognizes that these changes have not been peculiar to China, but have affected mankind all over the would, regardless of race or clime.

In your plans for business next year, are you planning to continue your advertising exclusively in mediums to which you have been accustomed in the past, or are you going to look about for new mediums which changed times and conditions have brought into the field?

The intelligent business man in 1928 will be the one who looks about for new advertising mediums which have kept pace with the times, mediums which have advocated reforms in the relations of foreigners and Chinese for many years; mediums which have won the respect of their readers by advocating conciliation and friendliness rather than blind opposition.

The thinking, unprejudiced business man in 1928, will arrange to place *some* of his advertising in *The China Weekly Review*, because this newspaper has recognized that changes were inevitable and has thereby gained a numerous clientelle among both foreigners and Chinese which is not reached by any other Publication.

The China Weekly Review will be glad to help you in 1928. If you are not a regular reader of The Review telephone Central 4741 and have your name placed on the list. If you are interested in advertising, fill out the enclosed card and our representative will call at once. At any rate, do something! Don't sit still and weep about the good old days as so many did in 1927.

43-021

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VII

In Madrid good fortune favored us. It chanced that on the day of our arrival the King was to attend the races; the American Ambassador invited us to accompany him to the gala luncheon at the race course, where we were introduced to General Primo de Rivera, then President of the Military Directorate and in supreme power, and to others close to His Majesty. That very afternoon, thanks to the American Ambassador, His Majesty heard about our Siamese treaty.

Next day there followed a conference with the all-powerful General Primo de Rivera; and, once his whole-hearted consent had been won, success was assured. He promised us the treaty and appointed a commission to carry on the negotiations, placing at its head his nephew, Senor Fernando Espinosa de los Monteros, the acting head of the Spanish Foreign Office. Every evening we gathered around a table at the Foreign Office in a large red room resplendent with fine old paintings; we modified only in quite unimportant details the original treaty draft as presented to General Primo de Rivera. In little more than a week the work was done and Spain had agreed to the surrender of the old treaty and the acceptance of a new one closely following the lines of the American treaty. The commission good-naturedly laughed at our informality and our continual plea for speed. 'You Americans would like to make a treaty over the telephone,' they exclaimed. But they never failed in their kindliness or in their generous and sympathetic understanding of Siam's difficult position.

The Negotiations With Holland

From Madrid we returned to Paris, and thence on to The Hague for the final ceremonies attendant upon the signing of the treaty with the Netherlands. On June 8 the Dutch treaty was signed by Dr. van Karnebeek, the Netherlands Minister of Foreign Affairs, and Prince Damras, the Siamese Minister to The Hague. On the same day disturbing news arrived from London. The British Foreign Office wrote that the British Minister in Bangkok had raised objections to the draft of the new treaty. Apparently local British opposition in Bangkok was strong. The Foreign Office wrote to say that, in view of their Minister's cabled report, after further mature consideration they must ask for certain additions and modifications to the draft. A glance at the changes asked for caused one's heart to sink. To certain of them Siam could not accede. Did this, then, spell the end of all our hopes?

We rushed back to London, realizing that the fight there must be fought again in the face of the adverse report. Again a formal meeting was arranged between ourselves and the experts and representatives of the Foreign Office, the Board of Trade, the Indian Office, and the Colonial Office, together with the former British Colonial-General in Siam, who had been summoned for the occasion. For a whole afternoon the battle raged. We sought to explain why Siam could not accept certain of the proposed modifications and why Great Britain should not make the mistake of requesting them; why some of the objects sought were quite unnecessary and how others might be attained in more practicable ways. It was one against many, and the battle never flagged. 'You reminded me of Daniel in the lions' den, exclaimed one of the British representatives at the end of the afternoon. But, when the smoke of battle cleared away, the sun was shining. Great Britain had agreed to withdraw all the objectionable modifications, or to alter them to a quite unobjectionable form. The British treaty was won. During two more all-afternoon sessions such difficulties as remained were ironed out; and in individual conferences during the next ten days solutions were found for several highly technical but extremely difficult legalistic problems, and in addition a Treaty of General Arbitration was negotiated and agreed upon. By the middle of July the General and Commercial Treaties were ready for signature. We hurried down from Stockholm for the signing; and on the afternoon of July 14 Mr. Chamberlain and Phya Prabha Karavongse, the Siamese Minister to London, unostentatiously attached their signatures and seals to the documents of such vital importance to Siam. The new British treaty had come into being.

VIII

In the meantime we had been turning our attention to the Scandinavian countries. Denmark, Norway, and Sweden still remained; also Italy. Should any one of these countries refuse to give up its existing rights, Siam would remain bound by the old three-per-cent tariff restriction; for all the new treaties contained the provision that Siam should be free to raise its tariff only after every one of the nations holding irrevocable treaty rights had freely and without compensatory benefit agreed to surrender them. Apart, therefore, from the existence of considerable Scandinavian shipping interests in Siam, each one of these treaties was a matter of large importance to Bangkok.

In Copenhagen, in Stockholm, and in Oslo, where Siamese interests are in the hands of Prince Wibun, accredited to these three capitals, again we encountered an open-mindedness, a sympathetic understanding for the plucky struggle of a small

nation, and a readiness to translate sympathy into practical action which showed that, in spite of much that is said to the contrary, European foreign offices are not all closed to liberal sentiments. All three of the Scandinavian countries declared themselves ready to meet with Siam's desires and to give new treaties. In Denmark and Sweden, through the help of influential friends at court, negotiations were expedited and final agreement come to on the drafts of the treaties, which were to be signed as soon as the parliamentary committees could formally signify their approval in the early fall. Norway also promised a new treaty along the same general lines, and quickly agreed in principle to the draft which we proposed.

In Oslo came word from Lisbon reporting that our Portuguese treaty had gone on the rocks. To protect her port and Madeira wine, in which her wealth largely consists, Portugal insists on the insertion in her treaties of a clause for the punishment of all who sell wine labeled 'Port' or 'Madeira' not coming from Portugal or the island of Madeira; in the Siamese treaty the formula had been considerably modified so as to avoid possible difficulties with British and French merchants selling these wines in Bangkok. The formula thus modified had run afoul in one of the Portuguese legislative committees; the treaty had therefore failed to pass and there seemed a not improbable chance of its total shipwreck.

During the four days train journey from Oslo to Lisbon urgent cables were dispatched to Bangkok and various telegrams exchanged with Lisbon, so that by the time we reached the Portuguese capital the way had been opened to agree on a new formula which would not endanger Siamese interests and yet would prove acceptable to the various groups in Portugal. Once in Lisbon, in intimate contact with Foreign Office officials who had become personal friends it was not difficult to agree upon a formula; but a new difficulty then confronted us. The Minister of Foreign Affairs with whom we had negotiated in April had been succeeded by another; his successor had been deposed as a result of a revolution, and so far no Premier could be found able to control a majority of the Chamber. As a result there was no existing Minister of Foreign Affairs by whom the treaty could be signed! We had, as it happened, come down from Paris on the train with the man who it was hoped would be able to form a Government. He ultimately succeeded in doing so; and one of the earliest acts of the newly appointed Minister of Foreign Affairs was, together with Phya Sanpakitch, the Siamese Minister to Italy, Spain, and Portugal, to sign the treaty with Siam.

IV

It was then late in July; we stopped a few days in Madrid to give to the draft of the Spanish treaty its final touches preparatory to its signature, and hurried on to Rome, reaching there the first week of August. The Italian treaty was the last one remaining, but the way to its attainment seemed beset with difficulties. Since the preceding April various telegrams had been sent to the Italian Foreign Office urging the hastening of negotiations; but these had failed to bear fruit, and a bare three weeks now remained before it was necessary for me to return to America. Unfortunately Rome was in the throes of intense summer heat, and the majority of Foreign Office officials were away on their vacation. Apparently the only hope of success was to go straight to Premier Mussolini, convince him of the importance of Italy's not being the single nation to bar Siam's right to full fiscal autonomy, and urge top speed. With his aid it might be done; he works with the speed and precision of a steam turbine, and by the force of his compelling, dominant will drives the Italian machinery of state at a pace that it has never known before.

The Fight in Italy

The Marquis Paulucci de' Calboli Barone, the Chef du Cabinet of Premier Mussolini, seemed considerably impressed by the situation. At the close of our discussion the Marquis expressed the sincere wish that Italy might meet with Siam's desires and that the new treaty might be negotiated at once, especially since the Siamese Government had felt obliged to ask for the withdrawal of negotiations were the draft not agreed to before my departure. 'But,' he added, 'unhappily we are blocked by physical impossibility. The Foreign Office officials are away on their holidays. There is no one in Rome competent to negotiate the treaty.' 'But' we asked, 'can they not be recalled?

This was a question which only the Premier could decide. The Marquis Paulucci promised to take it up with him immediately. For three days we waited, holding our breath; on the fourth, word came from the Italian Foreign Office that telegrams had been sent out to various Foreign Office officials calling them to Rome, that a Treaty Commission had been appointed, and that they would meet with Siam's plenipotentiary on the following Wednesday, August 19. That gave just nine days before I had to leave Rome to catch my steamer for America. Again the gods were favoring us and we had a fighting chance.

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* * * *

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43-024

During the intervening days we got into personal touch with certain of the Italian representatives on the newly appointed Treaty Commission and talked over several of the more vital issues. None of the Commissioners thought it possible to conclude the negotiations within a week, yet we felt that if there was a will a way could be found, and we mapped out a programme accordingly. The first clash came over the question of the language to be used for the treaty text. The Italian Commissioners wanted it to be in Italian. At our first meeting, however, they agreed to accept both an English and an Italian text, with the English one controlling; and we then proceeded to formulate a programme of action for the ensuing week. Siam agreed to prepare and present to the Italian Foreign Office on the following day a treaty draft in English and Italian; the Italians were to study this and meet with us two days later to discuss counterproposals; and every day thereafter the Treaty Commission would sit with us until the work was completed.

Evidently Premier Mussolini had issued orders that things were to move, for this programme was followed out to the letter. During all those crowded days and nights—for there were times when the lights in the Siamese legation burned till morning—there was never an hour wasted. The Treaty Commission, at considerable personal self-sacrifice, held long, protracted sessions with us, discussing our proposals, arguing against some of them, presenting counterproposals. We defended and maintained our draft in all the essential points, but yielded wherever possible on the nonessentials and on all matters of pure form. By the following Monday we had apparently come within sight of final agreement. The Italian Commission seemed ready to accept a text which was thoroughly satisfactory to Siam. Nevertheless, Italian desires remained unsatisfied as to five remaining points, which Italy felt a *sine qua non* for the granting of the treaty, but to which Siam could not agree. For two days the debate raged. At length the Italians on three of the points agreed to accept modified formulas phrased in such a way as not to endanger Siamese interests, but on the other two a deadlock resulted. In the end the only course open was to refer the impasse to Premier Mussolini, who alone was responsible for the final decision.

Il Duce to the Rescue

On the day before our departure from Rome we were ushered into Signor Mussolini's office at the Ministry of Foreign Affairs. In the quiet of a palatial room lined with radiant old Italian pictures he arose from a desk in the corner to receive us. As he advanced I could not but wonder at the gentleness of his eyes, set in a powerful, clean-cut face—a face which with all its strength had nothing in it of hardness. He spoke simply and to the point. He told us that Italy had always felt friendship for Siam, and that in token of that friendship Italy would withdraw the fourth and fifth demands. The last treaty, then, was won! After seventy years of extraterritoriality Siam was to be once more autonomous and free.

X

All the new treaties, including one with Belgium negotiated in Bangkok, are now signed and ratified; and extraterritoriality in Siam is a thing of the past. With its passing, and the removal of the old fiscal restrictions, new vistas open out. How has Siam been preparing herself for the new period into which she is entering? Will she be able to exercise wisely her new power?

King Rama VI died in November 1925, soon after the completion of the treaty negotiations. During the close of his reign expenditures were exceeding the national income and a financial crisis loomed ahead.

With the accession to the throne of his brother, King Prajadhipok, vigorous measures were taken. Instead of negotiating foreign loans or increasing taxes, the new King adopted the more salutary method of eliminating needless and extravagant expenditures. He required each ministry to prune away waste, to dismiss supernumeraries, to abolish sinecures. Economy became the watchword of the day. Bravely he led the way by reducing at a single stroke the revenues allowed for royal expenditure from nine million to six million ticals. His earnestness was irresistible. As a result Siam has turned its deficits into surpluses; and the present intention is deliberately to budget for surpluses so as to build up substantial reserves. In view of the great natural wealth of the country, in view of the increased revenues made possible under the new treaties by slight increases in duties on widely consumed articles, in view of the practicability of improving the rice crops and introducing other secondary crops, Siam's financial future looks very bright.

In constitutional matters a similarly vigorous policy has been pursued. At the end of the last reign the sovereign had been more and more successfully isolated from the best counsel of the realm by a group seeking its own ends. One of the new King's first acts was to dismiss from the high offices which they had attained the leaders of this group. Simultaneously he created a new constitutional body to give to the sovereign

advice on high matters of policy; this Supreme Council of State, composed of five men, was small enough to impress responsibility on each of its members. Upon it he placed some of the ablest and most sincere of Siam's leaders, By this adroit and statesmanlike move not only was an avenue of access to the King opened up, but Siam gained what she badly needed —a single body to help coordinate and unify the work of the separate ministries.

Troublous constitutional problems still remain. His Majesty keenly appreciates the difficulties and dangers of absolute monarchy; he has a sincere desire to democratize the government and to shift part of its responsibilities to the shoulders of the people. But a parliament uncontrolled by an intelligent and interested electorate is a far more dangerous engine of tyranny than an absolute monarch; and, until the groundwork can be built by pushing forward the work of general education, the parliamentary form of government must wait. Programmes, nevertheless, can be formulated looking toward this goal; and in the meantime the King is hoping to develop the people's political experience by creating popularly elected municipal councils in some of the larger cities.

Siam's judicial problems are already well in hand. The patient and thorough work of the Code Commission has borne fruit in able codes of law based on the best European models. Five years will probably be required for the completion of these codes. The most important part of the judicial groundwork yet remaining is the teaching and training of Siamese judges.

Further progress demands special activity in two directions—the one the vigorous pushing forward of general education, which is made exceptionally difficult by lack of trained Siamese teachers and Siamese textbooks; the other the stimulation of agricultural productivity by standardizing and improving the rice crop and by introducing secondary crops such as tobacco and hemp.

Underlying all else is the problem of how to assimilate the best of Western civilization without being corrupted by the demoralizing forces with which that civilization seems inextricably bound. Of all possible future dangers to Siam perhaps here lies the greatest. Will she be able to incorporate the best from the Occident and yet retain sufficient poise to maintain her own distinctive individuality, to assimilate things Western and yet not be swallowed by the West? Can she prevent religious and moral values becoming subordinated to material ones?

Indeed, Siam has problems a plenty. But these are a sign of progress. Those who have lived and worked in Siam and come to know and love her people have great faith in the Siamese. They will find a way. Siam's star is rising.

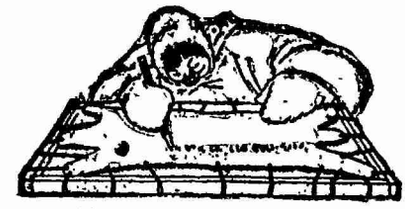
Still More Puzzles in Japanese-American Finance

The mystery regarding Thomas W. Lamont's recent trip to Japan with consequent rumors of large American loans to the South Manchuria Railway was deepened considerably by conflicting reports from Tokyo and Washington. One report from Tokyo stated that a Japanese banking syndicate had agreed to float a domestic loan in Japan for Yen 50,000,000 for the the South Manchuria Railway, "it being understood that the Railway had been in negotiation for a loan in London but the rates were too high, and that negotiations with J. P. Morgan and Company had fallen through owing to opposition of the State Department due to the fact that the South Manchuria Railway is located in disputed territory."

Then later there was a *Reuter's* report from Washington which stated that an important conference had been held at the State Department regarding "pending financial transactions in the Far East." This report stated that Thomas W. Lamont, a partner in J. P. Morgan and Company and Charles Mitchell, president of the National City Bank, had held a conference with F. B. Kellogg, Secretary of State; Mr. Olds, Assistant Secretary and Nelson T. Johnson, Chief of the Far Eastern Division, on financial matters pertaining to the Far East, "but that the officials were extremely reticent concerning the conference."

On Nov. 4 there was a report from Washington which appeared in the *Japan Advertiser* stating that a Japanese concern, the Nomura Securities Company of Osaka, had announced a G. $40,000,000 loan to the South Manchuria Railway Company which was to be floated in the United States.

These reports have aroused considerable interest in Chinese Nationalist circles and it is reported that the Nationalist Government may shortly issue a formal protest on the basis that an American loan to the South Manchuria Railway might lead to a further consolidation of Japan's political and economic control in the Chinese Three Eastern Province which would be almost certain to prejudice American policy in respect to the Open Door and Equality of Opportunity in China.



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The Fundamental Problem Of The Chinese Nationalists!

BY J. B. P.

The so-called Chinese Nationalist Party, or Kuomintang, now controls all of the territory of China south of the Yellow River with the exception of Shantung and Szechuen provinces. Yunnan province in the extreme southwest is also an uncertain proposition but owing to its isolation does not affect the general political situation one way or the other except in a minor degree. The provinces which the Nationalists claim to control are, Kansu, Shensi, Shansi, Honan, Anhwei, Kiangsu, Chekiang, Hupeh, Hunan, Kweichow, Kiangsi, Fukien, Kwangsi and Kwangtung. Aside from Marshal Wu Pei-fu and Yang Sen and some lesser military lights in Szechuen province all of the so-called Northern Militarists have been eliminated from these territories leaving only three provinces, Shantung, Chihli and Manchuria which are still controlled by the "reactionary militarists"—to use a familiar term of opprobrium applied by the nationalist propagandists when referring to their northern enemies.

Marshal Feng Yu-hsiang, Controller of Kansu, Shansi and Honan, Who Is Now Sending an Army Northward along the Peking-Hankow Railway for the Purpose of Cooperating with Gen. Yen Hsi-shan in a Direct Attack on Marshal Chang Tso-ling.

Do the Nationalists Really Control?

Dr. L. J. Birney in his address on the American Thanksgiving Day in Shanghai last week in reference to the Nationalist movement told how "a few men who had caught the vision of freedom and unity and justice and ordered power of government had swept northward like a tidal wave." But when the movement had reached the Yangtsze Valley, "it began to falter and disintegrate into the same old personal and factional rivalries and jealousies, and its promises are unkept and the people are disheartened."

Dr. Birney then proceeded to analyze the cause for the disintegration, which he stated in the following words: "To have realized the great and true ideals of that movement in the time they planned and proclaimed would have required the magical creation almost overnight of 10,000 pure-hearted, sacrificial, unselfish, deeply honest officials, military and civil, in every province, hsien and city and a great multitude of people of like ideals and unselfish sacrificial character to support those leaders.....?"

The Bishop might have also explained that the utilization of Russian assistance by the Nationalists, plus the British intervention at Shanghai and the Japanese intervention in Manchuria were also contributary elements in the failure of the movement from a military standpoint, but since Thanksgiving Day addresses in Shanghai are supposed to be non-controversial, he omitted this part of the story. But he was exactly correct in his analysis of the fundamental reasons for the failure of the Nationalist movement to sweep the whole country last spring, which were, to repeat his words, the lack of pure-hearted, sacrificial, unselffish, deeply honest officials, military and civil.

The Kuomintang Conference on Nov. 3

The foregoing paragraphs explain fittingly the fundamental problem of the Nationalist Party, or Kuomintang, which has announced a meeting of the Central Executive Committee in Shanghai for November 3. The Central Executive Committee of the Kuomintang is composed of some 36 members elected by the various provincial branches of the organization located in territories under Nationalist control. The Central Executive Committee is the highest authority in the party and also in the Government and in view of the fact that all of the so-called "Northern reactionary militarists" have been eliminated from these territories, it should be a comparatively simple matter for the party to compose its differences and organize a central governmentral unit. But here there is interposed the problem which was so fittingly stated by Dr. Birney.

Fighting for the Control of Canton

General Chang Fa-kwei, the Cantonese commander who effected the coup-d'etat at Canton on the night of Nov. 17 is still in control of that important city, but according to reports from Canton during the week there is likelihood of serious military complications due to an attempt on the part of the Kwangsi troops under Gen. Li Chi-sum to effect a come-back. Gen. Li Chi-sum, the Kwangsi commander who was the victim of the coup-d'etat, is now in Shanghai and 'according to report' is trying to effect a combination of Nationalist generals for the purpose of turning the tables on Chang Fa-kwei. Both sides are sending delegates to the Kuomintang party conference in Shanghai.

Personal Rivalries at Hankow

In addition to the tense situation prevailing in Kwangtung and Kwangsi in South China, there are also reports of impending trouble at Hankow due to the personal rivalries of two other Nationalist Generals, Cheng Chien and Li Tsung-jen. These military commanders who were formerly at Nanking and both of whom are members of the Government Military Committee were responsible for the defeat of Gen. Tang Shen-tse, another Nationalist or "near-nationalist" commander who previously controlled the troops in Hunan and Hupeh provinces. Gen. Tang Shen-tse, following his defeat, fled to Japan and according to popular report took along with him considerable worldly goods supposedly for the purpose of financing a come-back at some future time. The trouble which has developed between Generals Cheng Chien and Li Tsung-jen is exactly the same that is responsible for the trouble in South China—the possession of territory. Gen. Bei Tsung-chi, defense commissioner at Shanghai, went to Hankow last week for the purpose of mediating the quarrel and according to report has been successful in inducing Gen. Cheng Chien to "accept" Hunan province as his sphere, thus leaving Li Tsung-jen in control of Hupeh province and the Wu-Han cities. Whether this arrangement, if it is the arrangement, will prevent an armed clash is not yet certain, for most of Gen. Tang Shen-tse's troops which evacuated the Wu-Han district have retreated to Hunan province where, under the command of Gen. Ho Chen, another Nationalist commander, they are playing both ends against the middle for their own private benefit.

The Return of Gen. Chiang Kai-shek

It was the departure of Generals Cheng Chien and Li Tsung-jen for Hankow which made it possible for Gen. Chiang Kai-shek to return to the political arena in the Lower Yangtsze, due to the fact that Gen. Chiang's elimination was largely due to the opposition of these two men. Now that they have gone to Hankow, Gen. Chiang has emerged from retirement and in all probability will shortly become a dominating factor in the Nanking Government as a member of the Military Committee, acting in cooperation with Generals Bei Tsung-chi and Ho Yin-chin, both of whom are friendly to him.

It would thus seem that the military situation in Nationalist controlled territories has reached a point of temporary stabilization with Li Tsung-jen and Cheng Chien in Hunan and Hupeh, Chu Peh-teh in Kiangsi, Chiang Kai-shek, Ho Yin-chin and Bei Tsung-chi in Kiangsu, Anhwei and Chekiang, Chang Fa-kwei in Kwangtung and Li Tsung-jen in Kwangsi. Then in the territories to the north of the Yangtsze we have Feng Yu-hsiang in Kansu, Shensi, and Honan and Yen Hsi-shan in Shansi, but the "real" Nationalists never consider either Feng or Yen when discussing Kuomintang politics; they are only considered in connection with the military campaign against Marshal Chang Tso-ling and if and when Chang has been eliminated, there is certain to develop another problem, but we leave that to the future.

The Capture of Hsuchowfu

According to the reports of the *Kuo Min* News Agency, the official organ of the Nationalist Government, the combined forces of Feng Yu-hsiang and the Nanking Government have captured the town of Hsuchowfu, the strategic point in northern Kiangsu at the junction of the Lung-Hai and Tientsin-Pukow Railways. This, if correct, gives the Nationalists almost complete control of the Lung-Hai Railway, a matter of considerable importance, for it gives Feng Yu-hsiang an outlet to the Yellow Sea at Haichow, thus providing a means for obtaining munition supplies for his further campaign against Marshal Chang Tso-ling. Marshal Feng is now sending troops northward across the Yellow River into northern Honan for the purpose of attacking Chang Tso-ling's position on the Peking-Hankow Railway. Feng's plan, according to report, is to move directly on the town of Techow on the Shantung-

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Chihli border, the reason being that the Shantung arsenal is located there and if Feng can capture this point it will probably force the evacuation of western Shantung on the part of Generals Sun Chuan-fang, Chang Chung-chang and Chu Yu-puh, all being allies of Marshal Chang Tso-ling.

The Fundamental Problem

The fundamental problem of the forthcoming Kuomintang Conference is to bring peace to the Nationalist-controlled territories and prevent the situation from degenerating into a replica of what has existed in North China practically since the Revolution in 1911. At the present time the situation is tending in that direction and while there is little possibility of the Northern militarists returning to this area, there is a very great possibility of the Kuomintang militarists becoming just as great a menace to peace and unifications as their brothers in the North have been for the past dozen years. This constitutes the vital problem which the civilian leaders of the Party must solve if they hope to obtain a renewal of interest and sympathy on the part of China's well-wishers in other lands.

Chinese Municipality Improves Public Utilities

The Department of Public Utilities of the Chinese Municipality of Greater Shanghai has issued a report of its activities covering the period from July last to the middle of October. The report shows that the Municipality is getting actively to work on a business basis, and definite steps have been taken to improve the lighting service, to secure a better supply of water, and to provide for better regulation of traffic.

As regards the water supply, analysis was made of samples of the water furnished both by the Shanghai Native Waterworks Co. and the Chapei Waterworks and Electric Power Co., and the reports show a steady decline in the number of bacteria.

Probably the most arduous task of the Municipality is the regulation of the traffic. The Chinese Municipality has about 8,500 ricshas under license. Efforts are being made to improve the status of the ricsha coolies. In order to curb the illegitimate practices on the part of some ricsha owners, such as the engagement of immature boys and decrepit old men as ricsha pullers and the operation of broken ricshas, inspectors have been despatched to apprehend them.

The Chinese Municipality has three tramway lines under its jurisdiction all radiating from the West Gate, one to Kouchong Miao via the Meisih Road, one to the Small East Gate via the Mingkuo Road, and one to the Zia Bridge via the Fongzia Road; all have been ordered by the Municipality to be immediately rebuilt. As many tramway lines cross at the West Gate and run in all directions, while no fixed stopping stations have been designated, the Department called a conference of the Chinese and French companies to discuss ways and means of regulating the traffic, and satisfactory improvements have been inaugurated.

Is Japan Negotiating for an Alliance with the Nationalists?

A dispatch from Shanghai dated Nov. 19 appearing in the *Osaka Mainichi* stated that the Japanese Government had approached the Nanking Government on the question of a Sino-Japanese Alliance, the dispatch stating that Gen. Chiang Kai-shek had been approached on the subject while on his recent visit to Japan. The report stated that "the significance of the new proposal lies in the fact that the Nanking Government has decided upon it (a Sino-Japanese Alliance) as its fundamental policy, based on the quadruple alliance among Germany, Russia, China and Japan, which was one of the doctrines preached by the late Dr. Sun Yat-sen."

Owing to the negotiations which have been proceeding between the Japanese Government and Marshal Chang Tso-ling for an extension of Japanese railway and other interests in Manchuria, but which apparently have been delayed, the impression has been created that the Japanese are bringing indirect pressure upon Marshal Chang by threatening to make an alliance with the Nationalist Government. The *Osaka Mainichi* on Nov. 24 contained a dispatch from Peking stating that the Japanese Minister, Mr. Yoshizawa had received definite instructions from the Japanese Foreign Office to obtain Marshal Chang Tso-ling's signature to two definite agreements, one pertaining to the right to construct five new railway branches to the South Manchuria Railway and the other pertaining to an extension of other Japanese mining and other economic interests in Manchuria and Mongolia. This report stated that "Mr. Yoshizawa has been conducting his negotiations with the Chinese Government in accordance with these instructions, and *it is understood the Chinese Government has signified its willingness to sign a formal agreement,*

In the United States Court for China

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Last Will and Testament
of
GILBERT REID,
Deceased.

Cause No. 2997
Estate No. 1245
NOTICE

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Executrix
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Men and Events

China should borrow President Calles a while.—*Dallas News.*

A steamer which arrived in Shanghai recently brought from Tientsin 150 tons of fresh pears and 16 tons of fresh chestnuts.

A largely attended memorial service was held for the late Dr. Gilbert Reid at the International Institute, Shanghai, November 29.

The death occurred in Shanghai November 23, following an operation, of Mrs. Horace Gulick, daughter of the late W. L. Merriman.

Sir Cecil Clementi, governor of Hongkong, passed through Shanghai during the week, on his return from a holiday in Japan and North China.

The death occurred November 28 of W. R. Harvey, a pioneer among advertising agents in Shanghai, and the publisher of *Harvey's Annual.*

William P. Hunt, a former American Vice Consul at Tientsin, has been appointed agent of the U. S. Shipping Board Merchant Fleet Corporation, in Shanghai.

Prof James L. Howe and Mrs. Howe, who were married in Japan in October, spent Thanksgiving day in Shanghai. Mr. Howe is professor of chemistry in Hangchow Christian College.

Mrs. W. A. Main recently returned to Shanghai from a holiday spent in the United States. Mr. Main returned several months ago to take up his duties with the Associated Mission Treasurers.

Dr. J. C. Ferguson, adviser to the President of China, is at present in Shanghai and will spend the winter here, staying with his son C. J. Ferguson, who is connected with Andersen, Meyer & Co.

After considerable delay, the trial of Elly Widler, who was named in the recent conviction of K. M. Crawley for defrauding the governor of Szechuen, was commenced by the Swiss authorities in Shanghai November 28.

Constable T. R. Francis of the Shanghai foreign municipal police was shot dead in Burkill road, November 26, by a kidnapper whom he tried to arrest. Two of a kidnapping gang were shot dead during the encounter.

Miss Gladys Peebles, who has been on the staff of the American Consulate General at Shanghai for several years, proceeded to Peking during the week to take up a secretarial position with the U. S. Legation at Peking.

Eric Von Salzman, special correspondent in China for several leading German newspapers, who with Mrs. Von Salzman and their children, has been home in Berlin for several months, has returned to Peking.

Mrs. Violia Fischer, wife of Emil S. Fischer of Tientsin, who has been visiting relatives in Chicago since last August is expected back in Tientsin in December. Mrs. Fischer is a member of the American Women's Club of Shanghai.

The Rev. D. MacGillivray will address the Royal Asiatic Society on the subject, "The Jews of Honan—A Tragic Story of Submergence" on December 8 at 5.30 o'clock in the afternoon. Sir Sidney Barton, British Consul-General will preside.

Twenty-seven persons, including Yu Ya-ching, Dr. C. T. Wang, Sung Han-ching and Tong Shao-yi, have been elected to the committee of the Shanghai Settlement Chinese Ratepayers Association, and 54 others are to be added to the committee in the near future.

Judge M. D. Purdy in the U. S. Court for China awarded judgment November 26 against M. J. Hirshorn, living at the Astor House, in favor of the Tung Ching brass shop, in the sum of $3,341, covering a shipment of ladies' wear claimed to be the property of Alexander Rubin & Co. of San Francisco.

Far Eastern shippers noted with interest the launching at Newport News beginning of October of the *California*, the largest electric drive ship in the world, which will be placed on the New York-California run *via* Panama on a 14-day schedule.

The Chinese newspaper *Shun Pao* recently printed an article to the effect that Dr. Wu Chao-chu, Nationalist Minister of Foreign Affairs, has notified the Spanish Minister that the Sino-Spanish Commercial treaty having expired, is null and void, and will in future not be recognized by the National government.

The Provisional Court was occupied during the week in hearing evidence against a coolie, formerly in the employ of Mrs. E. T. Forestier, charged with murdering her November 2. The arrest of the accused was effected in a small hut in the hills about fifteen miles from Ningpo by a Chinese detective attached to the Shanghai Municipal Police.

From the Chinese Press

(News items pertaining to Chinese politics appearing under this heading, are taken mostly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official) Nationalist (Wu-Han official) and Toho (Japanese) news agencies, and from translations of articles appearing in the local Chinese press).

November 20-21—Nine alleged communists arrested for inciting trouble at Ishing, near Lake Taiho, taken to Wusih for punishment—Chihli Provincial Government protests Japanese reports that Gen. Chu Yu-puh was wounded in fighting on Lung-Hai line—*Kuo Wen* states that Japan has sent delegate to Moscow to negotiate with Soviet regarding the Chinese-Eastern Railway—Peking report states that Japanese have not responded to the suggestion of Mr. Clementi, Hongkong Governor regarding united Powers' policy regarding Bias Bay Pirates—Peking Government wires Chinese Charge, Mr. Chen Yen-hsi in Moscow to investigate reports of Soviet railway construction on Mongolian border—Fengtien troops using tanks in attempt to capture Chochow which is still held by Shansi troops—*Kuo Wen* report states that Chinese population in Peking area is 1,247,710, a decrease of 90,000 in one year—*Toho* report from Tokyo states that Chinese students at Kagoshima demonstrated against Gen. Tang Shen-tse, calling him a traitor to the revolution.

November 22—Japanese report from Hongkong states that Kwangsi troops belonging to Gen. Huang Shao-hsiung have retreated to West River district and train service has been restored on southern section of Canton-Hankow Railway—*Toho* report from Mukden states that National City Bank of New York and British Chartered Bank are planning to establish branches in Mukden owing to growing commercial importance of the city—*Kuo Min* report states that Nanking troops are now within 50 li of Hsuchowfu; Gen. Ho Ying-chin, commander of Nanking forces claims capture of Shantung regimental commander, one armored train, 300 Shantung troops, several field guns and large quantity of ammunition—Nationalists publish new law regulating punishment of offenders against the opium regulations—Gen. Chin Yun-ao, who rebelled against Feng Yu-hsiang in Honan and was defeated, arrives in Peking for conference with Chang Tso-ling—Gen. Cheng Chien makes preparations to advance into Hunan—Gen. Chang Chung-chang, tupan of Shantung decides to take personal command of his troops in Hsuchowfu in defending the city against the Nationalists—General Chen Chia-mo and Liu Tso-lung, who have been imprisoned in Hankow for many months, have been released—Chinese shops close in Peking as protest against surtax—*Kuo Wen* report from Tientsin states that Soviet consular officials in China are preparing to take special precautions against further attacks by White Russians—Yang Yu-ting, chief-of-staff of Fengtien sends note to Japanese Minister asking that the discussions on Manchurian and Mongolian affairs be postponed for present owing to the military situation—Nanking appoints Col. Lin Yichong as police chief of Hankow—Gen. Tao Chen appointed vice-commander of 19th revolutionary army at Hankow—Shanghai-Nanking Railway officials consider matter of salary increases for traffic workers.

November 23—Madame Ho Hsiang-ning, wife of the late Liang Chung-kai of Canton, departed from Canton for Shanghai where she will act as "go-between" in the marriage of Gen. Chiang Kai-shek and Miss Mei-ling Soong—Chan Chun-chang, tupan of Shantung claims capture of Kaifeng—*Toho* report from Peking states that Feng's troops have crossed the Yellow River and invaded Shansi for purpose of assisting Yen Hsi-shan; claimed Feng is withdrawing from Lung-Hai line—Chinese-Japanese delegates in Peking resume discussion of new tariff treaty; price valuation commission also meeting shortly in Peking—Powers protest new luxury taxes announced by Chang Tso-ling—Kwangsi troops which were driven out of Canton by Chang Fa-kwei, retreat toward Wuchow, Kwangsi; reported dissension developed in Kwangsi troops and agitation started against Gen. Huang

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Shaohsing—Tan Yen-kai, Wang Ching-wei, Chiang Kai-shek and Li Chi-sen, sign joint invitation to members of Kuomintang to attend preliminary meeting on Nov. 24 for the purpose of arranging for Fourth Plenary session of Central Executive Committee—Nanking Government issues regulations for the holding of mass meetings and petitioning the Government on the part of the public—Yen Hsi-shan sends telegram to Nanking stating that Fengtien troops used poison gas in attack on Chochow—Nationalist general Ho Ying-chin states that Nanking troops are nearing Hsuchowfu from south and that Feng Yu-Hsiang with 200,000 troops is advancing from west—Nanking claims that Nationalist troops advancing up Tientsin-Pukow Railway have effected junction with Feng Yu-hsiang's troops and Chihli-Shantung troops rapidly retreating northward into Shantung.

November 24—Some 2,000 troops of 11th Nationalist army arrive at Foochow from Amoy—Previous report Feng Yu-hsiang sending troops into Shansi denied; now reported Feng sending large forces northward along Peking-Hankow line into northern Honan, object breaking through Fengtien lines into Chihli, purpose relieving Chochow—*Toho* report from Peking states Fengtien troops attacking Yenmekwan and fierce battle expected shortly—*Toho* report from Hongkong states that Canton faction may join with Tang Shentse's troops in Hunan against Nanking—Japanese Government confers 3rd order of merit upon Chang Yuan-chih, councillor of Chinese legation, Tokyo—Reported Japanese planning strong protest regarding alleged intentions Nationalist Government set up separate trade-mark bureau—Dr. C. C. Wu, Nationalist Foreign Minister issued important declaration that Nationalists intend to abrogate all unequal treaties "within shortest possible period" also orders abrogation Sino-Spanish treaty—Nanking appoints Wang Chou-chu, manager of Central Bank at Hankow and Chow Pei-tsung director of Hangchow mint—Hankow situation become quiet and barriers removed from French Concession; reported negotiations opened for settlement of differences between Nanking General Cheng Chien and Ho Chien, latter being subordinate of Tang Shen-tse now in Hunan—*Kuo Wen* report from Peking states that all arrangements perfected for signing agreement between Chang Tso-ling and Japanese for extending Japanese railway interests in Manchuria and Mongolia—Peking appoints Alfred Sze and Wang Chun-chung to participate in International Wireless Conference in Washington, D. C.—Town of Tunyangtsun near Lungtan in Kiangsu, near Nanking looted by bandits—Chen Loh, Chinese Minister to France urges Peking Government to pay up its dues to League of Nations—Peking approaches Diplomats for relief of famine in Shantung—Chang Tso-ling demands Peking Ministry of Finance raise $150,000 immediately purposes—Gen. Kuo Ta-ming, brother of Kuo Sung-lin, who was executed by Chang Tso-ling two years for starting rebellion in Manchuria, arrives in Nanking to obtain financial support for a new rebellion against Chang—Kuomintang holds preliminary conference at home of Chiang Kai-shek; meeting attended be Wang Ching-wei, Shu Ming-yi, Ho Hsiang-lin, Chang Chin-kiang, Chiang Kai-shek, Ho Yin-chin, Li Chi-tsung, Yu Yu-jen, Tsai Yun-pei, and others, decided to hold further preliminary conference on Dec. 3.

November 25—Hongkong report by *Toho* states that Gen. Chang Fa-kwei has despatched the 26th division under Gen. Hsu Chih-jui and 25th division under Gen. Li Han-hun to East River Region to guard against attack of Gen. Chen Chi-tan at Swatow and Gen. Chen Ta-chun at Wuhu, both of the latter being followers of Gen. Li Chi-sum; early clash thought likely—Gen. Bei Tsung-chi arrives at Hankow to confer with Gen. Li Tsung-jen on Canton situation—Gen. Bei Tsung-chi issues proclamation forbidding strikes and ordering industrial disputes to be arbitrated by recently created Labor-Capital Arbitration Committee—Gen. Li Lieh-chun, member of Nanking Central Committee, according to

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Kuo Min interview declares that the Canton situation should be considered a local affair and should not be permitted to interfere with Kuomintang meeting; that the Hunan situation will shortly be settled; unity of Kuomintang difficult, but conflicting factions must settle differencs—Peking Government decides to postpone levying of luxury taxes until Jan. 1—*Kuo Wen* report from Hankow states Gen. Chen Chien has resigned from chairmanship of Hunan and Hupeh Political Councils—Hu Tsung-pu appointed garrison commander at Hankow—Peking report states Yan Hsi-shan has established his headquarters at Taichow and is directing his troops personally—Martial law declared in Soochow, Kiangsu on account of communist trouble.

November 26-27—Gen. Tsai Ting-chieh, commanding the 10th division of the 11th army, consisting of 1,200 men arrives in Amoy from Foochow—Gen. Bei Tsung-chi, defense commissioner at Shanghai holds conference with Generals Li Tsung-jen, Cheng Chien, Hu Chung-to and others in Hankow and believed he succeeded in preventing clash between Li Tsung-jen and Cheng Chien over the control of Hunan province; believed that Gen. Li Tsung-jen will be made head of Hunan; decided to adopt wait-and-see policy in respect to Canton situation—Peking report by *Toho* states that Chihli-Shantung troops have arranged for defense of Hsuchowfu, but *Kuo Min* report from Nanking states that Hsuchowfu has already been captured by Nationalists—Nanking gunboats shell forts at Changlingchi, Hunan—*Kuo Min* dispatch from Nanking states that following evacuation of Hsuchowfu in northern Kiangsu Sun Chuan-fang will attempt his next stand at the Tsowhsien-Yenchow region with headquarters at Yengchow; reported Gen. Chang Chung-chang shot in leg and taken to Tsinanfu hospital; reports of serious trouble in Tsinanfu, capital of Shantung—Nanking Government requests Quo Tai-chi, commissioner of Foreign Affairs at Shanghai to request extension of leave for Li Yiu-min, delegate from Makassar, Dutch East Indies branch of Kuomintang, who is now in Nanking; Dutch threathen to cancel his leave—Feng Yu-hsiang launching drive against Fengtien positions on Peking-Hankow Railway in Northern Kiangsu, in cooperation with Yan Hsi-shan, hoping to capture Tamingfu and Techow, the latter being location of Shantung arsenal—Kiangsu provincial committee appoints Zia Yung-seng as chief judge of the criminal section of the Shanghai Provisional Court to act pending the assumption of office of Miss Soumi Tcheng, who is planning a trip abroad—*Kuo Wen* report from Peking states that the daily gross income from the section of the Peking-Hankow railway controlled by Fengtien only amounts to $8,000—Coal and food situation in Peking becoming serious—Chang Tso-ling demands that Chinese banks in Mukden immediately raise a loan of $4,000,000 for military purposes and for covering expenses of Mukden arsenal—Bei Chi-kun appointed head of Financial Bureau at Hankow—Gen Chiang Kai-shek demands investigation into incident at Nanking where Nationalist troops fired on crowd of civilians which had assembled to celebrate victory over Gen. Tang Shen-tse.

November 28—Japanese protest seizure of three steam launches by Chinese military at Soochow—Chinese wharf coolies employed by Japanese Nippon Yusen Kaisha at Shanghai go on strike causing Japanese to station marines on the wharf to prevent damage to property—Chinese customs house at Yochow issues orders that all steamers traversing the river must submit to search. *Toho* message from Canton states that Chang Fa-kwei is urging Dr. Wang Ching-wet to return to Canton; believed that fighting will shortly break out between Chang Fa-kwei and Kwangsi troops which have retreated to Wuchow; run on Bank of China at Cantone attitude of Gen. Li Fu-lin reported as uncertain; reported that Gen. Huang Shao-hsiung, subordinate of Li Chi-sum of Kwangsi has gone to Wuchow—General Chamber of Commerce at Canton asks Kwangtung provincial government to stop anti-Japanese agitations—Tang Shen-tse, former commander at Hankow who fled to Japan, has gone to Tokyo to confer with Japanese officials—Nanking reports that Nationalist troops have occupied Sutsienhsien on Grand Canal in Northern Kiangsu—Telegram from Chengchow states that Feng Yu-hsiang's troops have advanced to Wei-Hui in Peking-Hankow line and claims made that Chengte and Tamingfu have been captured.

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New Books of Interest in the Far East

The Westerner Who "Went Chinese"

"Sun and Moon," by Vincent H. Gowen. Boston: Little Brown and Co.

Of the recent novels, using China and its people as a setting, Sun and Moon is one of the best that has come to our notice. For a portrayal of Chinese family life, revealing the myriad customs and practises which generations of usage demand be adhered to, this book is admirable.

As a result of and along with China's prominent part in world affairs, especially during the last year, writers who seek to make material out of China through the medium of a novel, have been unusually busy. And their products have been of a generally higher quality than heretofore.

In Sun and Moon, Mr. Gowen takes a Westerner of many years' residence in China who has "gone Chinese." His wife, who has died some years before this story opens, has been supplanted by a Chinese wife, a concubine and the other individuals who usually go to make up a Chinese household. This adopted Oriental had two children by his Western wife. They are raised as Chinese, knowing little of the West except that their father teaches them the English language. These children, a boy and a girl, spend practically all their time with their amah. Their father has little time for anyone but his concubine, his opium pipe and his books at irregular intervals.

As the daughter approaches the marriageable age the problem arises as to who is going to be her husband. The father is confronted with the task of choosing between an Occidental and an Oriental. After a slight effort to choose a Westerner for his daughter, which does not succeed as he imagined it might, he turns to the East and engages his daughter to a nephew of his Chinese wife. The dowry is specified, the date set and the engagement announced, to increase the certainty that the marriage will be realized.

As the time for the wedding approaches, the Westerner who was first asked to marry the daughter, realizes an increasing infatuation for this Chinese trained foreigner. His pleadings are of no avail as the daughter feels the disgrace of a broken engagement cannot be inflicted upon her father. This union of the East with the West is realized, insults upon the bride by the husband's family are inflicted and told. The marriage comes to naught, as is made increasingly clear will be the eventual outcome as the story progresses.

The story is an intimate one of Chinese family life, told by one with a wide knowledge of his subject. Through this book, along with several others of similiar vein and recent date, much knowledge of China and things Chinese can be gained that is not to be had in works of a more serious nature.

Shanghai Nov. 24, 1927 M. H.

The Taiping Rebellion Explained

Tseng Kuo-fan and the Taiping Rebellion, With a Short Sketch of His Later Career By William James Hail, Ph. D., D. D. New Haven: Yale University Press. London: Humphrey Milford Oxford University Press 1927, pp. XVII, 422.

American scholarship has, during the past few years, made two distinguished contributions to the rapidly expanding body of knowledge of the West regarding the East. The earlier of these was the study of the late Professor Thomas F. Carter of Columbia University on "The Invention of Printing in China and Its Spread Westward;" the later study is the one under review.

As Professor F. W. Williams of Yale University points out, Dean Hail of the College of Yale, Changsha, is doubly fitted for his self-imposed task of introducing a great Chinese character to the West and of analyzing the failure of a widespread rebellion. Dean Hail is equipped with a knowledge of the Chinese language and with the scientific historical method of the West. Moreover twenty years' residence in China has made him well acquainted with the Chinese people and their psychology. Thus equipped he approaches his task with confidence and acquits himself with honor.

As a factual biography of a constructive military leader and statesman the study is adequate. But it is something more; it is an analysis of a Chinese phlosopher of the old school. It is also a survey and a thorough analysis of a great, if misguided, popular movement which, full of potentialities for good, ended disastrously and wrought evil on a scale rarely equalled in history. The rise in the south of the "God-worshippers" and their irruption into the heart of China are traced with care. Then is given Dr. Hail's answer to a question asked by all serious students of this movement, to wit, "How was it possible for such a movement to have been organized and controlled by a leader so obviously second-rate as Hung Sin-tsuen proved himself during the years of the imperialist siege of Nanking?" The answer we shall not quote since it would not interest the cursory reader—and the serious student of the Taiping Rebellion will wish to study Dr. Hail's answer for himself. Suffice it to say that the answer is one of the most interesting and valuable historical reconstructions accomplished in recent times and places the author on a plane with the literary-detective-scholar who not long since discovered the name of the murderer of Kit Marlowe.

The reasons for, and the results of, the raising of a volunteer army by Tseng Kuo-fan and the methods by which it was carried out are presented with meticulous detail. Perhaps at times there are almost too many details—the twigs hide the branches however, this is a subjective rather than an objective criticism. Equally meticulous and of more apparent value is the balancing of the parts played by the Chinese and the Foreigners respectively in the ultimate suppression of the Taiping movement. Chapter XII contains a masterly balance and summarization of this aspect of the movement.

The work is an excellent example of book-making, few typographical errors being noted. A complete bibliography is included, in which are cited all available Chinese and foreign sources. (One wonders why Mannix's "Memoirs of Li Hung-chang" is included, faintly damned though it be by the descriptive "unreliable.") In the index, Chinese characters are included for Chinese names. That such a work as this should have come from Yale at a time when Christian institutions and foreign instructors are under fire for their "imperialistic" connections is not without irony. It may be hoped that scholarship as sound and mature as that of Dean Hails may awaken the more sober-minded and reasoning Chinese to a sense of their national loss if institutions such as Yale continue to suffer at the hands of immature radicals.

H. F. MacNair

Univ. of Washington,
Seattle, Washington, October 17, 1927.

Negro Color and Atmosphere

God's Trombones, by James Weldon Johnson. New York: The Viking Press. $1.50.

The sub-title of this little volume reads "Seven Negro Sermons in Verse." Both title and sub-title explain the matter within the covers, except for the splendid preface in which Mr. Johnson makes us understand the verse which follows.

In his preface he states that he has tried to reproduce some of the sermons of the old-time negro preacher, who "strode the pulpit up and down in what was actually a very rhythmic dance, and he brought into play the full gamut of his wonderful voice, a voice—what shall I say?—not of an organ or a trumpet, but rather of a trombone, the instrument possessing above all others the power to express the wide and varied range of emotions encompassed by the human voice—and with greater amplitude."

The verse is not written in the Negro dialect and Mr. Johnson states that the reasons for this is that the dialect has become conventionalized and limits modern writers to pathos or humor; and, more important, the Negro preacher spoke rather a mixture of Bible English and Negro idiom.

The sermons themselves, as a rule, are taken from some of the "standard" sermons preached by the old-time Negroes, such as "The Creation," "The Judgment Day" and others. He has written them in blank and free verse so far as the accepted rhythms etc., are concerned. But there is a rhythm and a swing to them that becomes more and more evident the better one becomes acquainted with them and we can readily see why the Negroes began to clap their hands and sway and cry "Hallelujah," even though we cannot hear the preacher's voice.

It would be impossible to quote excerpts from the poems and do them justice. This is even more true of this than it is of the ordinary volume. To obtain the fullest enjoyment from these "Sermons in Verse" one must read Mr. Johnson's preface first.

Mr. Johnson makes no bones about stating that he is influenced by the spirituals, with which he has had so much experience. Whatever he has taken from the spirituals has aided him considerably, Without their influence he could scarcely have written "Noah Built the Ark" without their help. There are many other passages, also, which suggest the pathos and the occasional triumph of the spiritual. These passages, Mr. Johnson handles with the greatest delicacy and feeling.

The Negro artist, Aaron Douglas, has done a number of illustrations for the book, and while I was not always sure just what they were all about, at the same time they are altogether decorative. The Viking Press has made a work of art of the mechanics connected with the volume and are to be congratulated heartily. F. P. Frazier.

Latest New York Stock Exchange Quotation

Nov. 11, Supplied by J. E. Swan & Co. Tel. C. 6615 6619.
Market Closed Irr Business Done 2,600,000

STOCK	Previous Price	Latest Price
Allied Chemical & Dye (Common)	152⅞	150
American Can (Common)	71⅜	71½
American Radiator (Common)	133½	131
Armour & Co. (Illinois) 7% Pfd	74½	71⅜
American Telephone & Tel. (Common)	179⅜	181
American Tobacco "B"	178½	176⅞
Baldwin Locomotive Co. (Common)	252¼	252
Bethlehem Steel (Common)	55¾	55
Bethlehem Steel, Pfd. 7%	116⅝	117⅞
Canadian Pacific Railway	199⅛	198½
Canada Dry Ginger Ale	51⅞	51
Cheasapeake & Ohio (Common)	209	208¼
Eastman Kodak Co. (Common)	168	170
General Baking "A"	79¼	78¾
General Electric (Common)	130⅝	33⅜
General Motors (Common)	127¾	126½
Goodrich (B.F.) Co. (Common)	81⅜	87
International Match, Pfd.	90⅛	89½
International Nickel (Common)	66⅞	66¾
Ligget & Myers, Class "B"	123	121½
Mack Trucks (Common)	108¼	111¼
New York Central (Common)	163¾	161
Packard Motor Car Co. (Common)	53⅛	53
Phillips Petroleum (Common)	41¾	42¼
Pacific Gas & Electric	45¾	46
Radio Corp. of America (Common)	93⅛	98
Reynolds Tobacco, Class "B"	157¼	158½
Standard Gas & Electric (Common)	60⅞	61¼
Schulte Retail Stores (Common)	53½	52¼
Southern Railway (Common)	139⅞	139½
Standard Oil of California	56	56¼
" " of New Jersey	40¼	40⅛
" " of New York	32⅛	32
" " of Indiana	80	80⅜
Texas Corporation (Common)	53⅜	54¾
Tobacco Products, Class "A"	116⅞	116¾
Union Carbide	151	148½
Union Pacific RR. (Common)	194	194½
United Fruit	142½	142
United Drug (Common)	195¾	193
United States Rubber (Common)	54	54⅜
United States Realty & Imp. Co.	61¼	63⅜
United States Steel	145¼	146⅝

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Nov. 16th	Sale Price Nov. 17th	Approx. Yield to Maturity Nov 17th
Czecho Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	108⅜	108¼	7.28
Czecho Slovak Govt. Ext. S. F. Loan	7½	Oct. 1, 1945	105	105¼	6.98
Republic Chile S.F. Loan	7	Nov. 1, 1942	102	102	6.79
Argentine Ext. S.F. Loan	6	May. 1, 1960	99¼	99¼	6.05
Italy, Ext. S. F. Loan..	7	Dec. 1, 1951	98	97⅝	7.21
Austrian S. F. G. Loan..	7	June 1, 1943	103⅞	103	6.69
French Ext. S. F. Loan	8	Sept. 15, 1945	110⅞	110⅝	7.04
Japanese Govt. (£).....	5	1907/1947	84¼	84⅛	6.40
German Govt. S. F. Loan	7	Oct. 15, 1945	106⅜	105⅝	6.53
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 15, 1949	99	99⅛	7.02
Saxon Public Works Inc. 1st Mtge. S. F. Loan ..	7	Feb. 1, 1950	99¾	99¾	7.03
German G.E.C.S.F. Loan	7	Jan. 15, 1945	101½	102⅞	6.71
Finnish Guaranteed Municipalities S. F. Loan...	6½	Oct. 1, 1945	98½	98	6.67
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1954	98½	98½	6.65
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1944	100	100	6.50
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1941	100	100½	7.45
Camaguey Sugar Co. 1st. Mtge. S. F. Loan.....	7	Oct. 15, 1944	100	100½	6.95
Pennsylvania Dixie Cement Cumulative...	7	Pfd. Stock 1942	97½	97½	7.18
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	99½	98½	7.11
Willys Overland Co.....	7	Pfd. Stock	92⅞	94½	7.41
The National City Bank of New York.....	20	Stock	718	735	2.72
Republic of Peru, Ext. Secured S. F. Loan...	7½	Sept. 1, 1956	103⅝	107¼	6.92

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

Shanghai Exchange for Week Ending Wednesday, November 30, 1927

By Maitland, Fearon and Brand

Exchange:—Bar Silver prices in London have rulek steady during the past week, today's quotations of 26⅜d. ready and 26 1/16d forward are respectively ¼d. and 3/16d. above those obtaining this day last week. The official T/T rate on London has remained unchanged @ 2/7d. throughout the week. The exchange market is quiet with an undertone of steadiness and a small premium offering for cash. The following rates fo Gold remittances, near delivery are available:—T/T Lodon 2/7½d, New York 63¾. Yen 62.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls. 58,951,000 an increase of Tls. 3,257,000

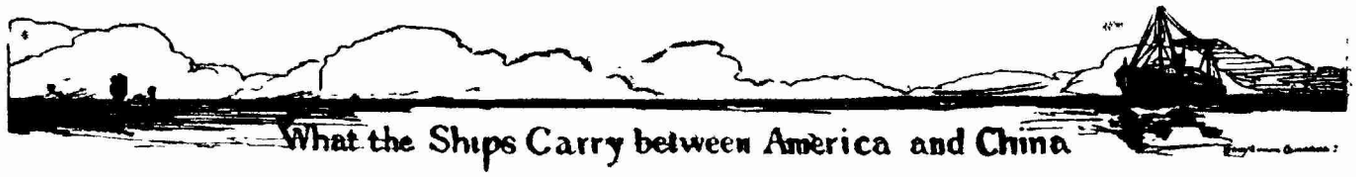
Chinese and Mexican Dollars..... $ 73,030,000 a decrease of $ 310,000

Estimated value Tls. 111,532,000 as against Tls. 129,940,000 held at this time last year.

	Average rates for Oct.	Thursday Nov. 17	Friday Nov. 18th	Satur. Nov. 19th	Monday Nov. 21th	Tuesday Nov. 22	Wednesday Nov. 23
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T London	2/6.120	2/7	2/7	2/7	2/7	2/7	2/7
D/Dfts "	—	2/7 1/16	2/7 1/16	2/7 1/16	2/7 1/16	2/7 1/16	2/7 1/16
4 m/s "	—	2/7½	2/7½	2/7¼	2/7¼	2/7¼	2/7¼
T/T India	167.290	172	172	171½	171½	171½	171¼
T/T France	1,557,000	1600	1600	1605	1600	1600	1600
T/T N. Y.	61.095	63	63	63	63	63	63
T/T Demand		63⅛	63⅛	63⅛	63⅛	63⅛	63⅛
T/T Hamburg		263¾	263¾	264	264	264	264
T/T H'kong	79.490	79⅛	79⅛	79⅛	79⅛	79⅛	79⅛
T/T Japan	76.240	72¾	72¾	72⅝	72½	72¾	72¾
T/T Batavia	151.740	155½	155½	155½	155½	155½	155½
T/T Straits	92.390	89⅝	89⅞	90	90	90	90
Bk's buying rates 4 m/s B/L. Cred. D/A	2/8 120	2/9	2/9	2/9	2/9	2/9	2/9
4 m/s " D/P	—	2/9⅛	2/9⅛	2/9⅛	2/9⅛	2/9⅛	2/9⅛
6 m/s " B/L Cred D/A	2/8.432	2/9 6/16	2/9 6/16	2/9 6/16	2/9 6/16	2/9 6/16	2/9 6/16
4 m/s B/F Cred D/A or D/P	1,687.000	1730	1730	1735	1730	1730	1730
4 m/s N.Y.Lc.	64.490	66⅜	66⅜	66⅜	66⅜	66⅜	66⅜
4 m/s " Docs	—	66⅞	66⅞	66⅞	66⅞	66⅞	66⅞

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling Bullion.	Nov. 24	Nov. 25	Nov. 26	Nov. 28	Nov. 29	Nov. 30
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	26 11/16	26 10/16	26¾	26 11/16	26¾	26¾
**New York Price of Bar Silver per oz. (Pure)	G. $.57¼	G.$.Holi.	G. $. 58⅛	G. $. 57⅞	G. $. 57⅞	G. $.57⅞
Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch).....	Tls. 351.80	Tls. 347.90	Tls. 349.00	Tls. 352.40	Tls. 350.40	Tls. 350.40
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	110.90	110.90	110.90	110.90	110.90	110.90
Shanghai Mexican Dollars per $100....	72.775	72.80	72.875	72.85	72.975	73.
Native Bank Rate of Interest (Call money).....	1%	1%	1%	1%	1%	1%
*Closing Price in Lond on for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 124.02
Bank of France rate of discount	5%	New York on London	T/T 4873/8
London open Market of Dls. 3 m/s	4⅝%	Bombay on London	T/T 1/6
" 4 "	4⅜%	Hongkong on London	T/T 2/0¼
" 6 "	4⅜%	Kobe on London	T/T 1/10½



Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls., Nov. *Customs Rate Tls. 1.46 equal Gold $1*

NORWAY MARU,
October 11.
from U. S. A.

Oil, Kerosene, in Cases Galls. 139,470

PRESIDENT JACKSON,
October 21.
To Vancouver.

Walnuts ..... Pls. 2,063
To Victoria.
Brassware ..... „ 5
To Seattle.
Tea, Black, other Kinds, Kiukiang ..... „ 8
Tea, Green: Gunpowder, other Ports ..... „ 1
Brassware ..... „ 3
Intestines, Pig ..... „ 52
Oil, Wood ..... „ 9,120
Peas, White ..... „ 1,680
Walnuts ..... „ 4,355
To St. Louis.
Tea, Green: Gunpowder, Ningpo. Pls. 146
To Minneapolis.
Intestines, Pig ..... „ 16
To Toronto.
Brassware ..... „ 5
To Charleston.
Hair, Human ..... „ 109
To Scranton.
Silk, Raw, Re-reeled: White, other Ports Bls. 10 ..... „ 10.30
To Shamokin.
Silk, Raw, Steam Filature: White, Shanghai Bls. 110 ..... Pls. 110.63
To Reading.
Silk, Raw, Steam Filature: White, Shanghai Bls. 20 ..... Pls. 20.11
To Hoboken.
Silk, Raw, Re-reeled: White, other Ports Bls. 15 ..... Pls. 15.33
Silk, Raw, Steam Filature: White, Shanghai Bls. 15 ..... Pls. 14.98
White, other Ports Bls. 5 ..... „ 5.00
To Buffalo.
Silk, Raw, Steam Filature: White, Shanghai Bls. 1 ..... „ 0.43
White, other Ports Bls. 20 ..... „ 20.43
To New York.
Silk Piece Goods ..... „ 6,90
Silk, Raw, Re-reeled: White, other Ports Bls. 50 ..... Pls. 51.10
Silk, Raw, Steam Filature: White, Shanghai Bls. 36 ..... „ 34.84
White, other Ports Bls. 35 ..... „ 35.00
Silk, Waste: Other Ports..Bls. 13 „ 43.86
Silk, Waste, Cocoon Strippings, Shanghai ....Bls. 3 „ 8.95
Brassware ..... „ 11
Chinaware, Fine ..... „ 4
Egg Yolk, Dried ..... „ 326
Hides, Buffalo ..... „ 291
Intestines, Pig ..... „ 228
„ Sheep ..... „ 12
Skins, Mole, ... Pcs. 631
„ Rabbit Untanned „ 9,986
„ Sheep, Tanned.. „ 2,075

WEST HIXTON, October 29.
From U. S. A.

Timber: Logs, Softwood .. Sup ft. 122,899
Softwood, Ordinary, Sawn ..... Sup ft. 767,829
Softwood, Merchantable ..... „ 231433

NANYO MARU No. 1,
October 29.
From U. S. A.

Cotton Clothing, Knitted, Raised ..... Pls. 2
Gum, Resin ..... „ 3,864
Wax, Paraffin ..... „ 959

TITAN, October 31.
From U S. A.

Steel, Galvanized: Wire Shorts ..... Pls. 420
Tinned Plates, Plain .. „ 690
Grease, Lubricating, Mineral ..... „ 294
Tobacco, Leaf .... .. „ 3,209
„ Prepared .. „ 7
Wax, Paraffin ..... „ 226
Oil, Lubricating, Mineral .....Galls. 24.697

LISBON MARU,
October 31.
To New York.

Silk Pongees, Honan .. Pls. 3.26
Tea, other kinds, Hankow ..... „ 370
Tea, Green: Young Hyson, other Ports ..... Pls. 899
Hyson, other Ports „ 204
Imperial, other Ports „ 9
Gunpowder, Ningpo. „ 494
Gunpowder, other Ports ..... „ 15
Tea, Black: Congou, Hankow .. „ 888
„ Kiukiang .. „ 97
„ other Ports „ 17
Antimony, Regulus ... „ 1,680
Bristles, Black ..... „ 50
Hides, Buffalo Untanned „ 296
Nutgalls ..... „ 1,780
Oil, Wood ..... „ 615
Rhubarb.. ..... „ 198
Wool, Sheep's..... „ 780
Soy..... „ 150
Canned Bamboo Shoots Doz 2,000
To Boston.
Tea, Black, Congou, Kiukiang ..... Pls. 26
Tea, Green: Gunpowder, Ningpo. „ 99
To Montreal.
Tea, Black: Congou, Hankow . „ 103
To Houston.
Hair, Human Stumps.. „ 50

CUPRUM, November 1.
From U. S. A.

Timber: Softwood, Ordinary, Sawn ..... Sup. ft. 821357

CITY OF EASTBOURNE,
November 2.
from U. S. A.

Iron, Galvanized: Sheets, Plain..... Pls. 759
Steel, Galvanized: Sheets Plain ..... „ 1,828
Grease, Lubricating, Mineral .....Galls. 89
Tobacco, Leaf ..... „ 5,055
Oil, Lubricating, Mineral Galls. 6,825
Turpentine, Vegetable Galls. 833
Shoes, Leather..... Pairs 93

PRESIDENT HAYES,
November 3.
To Marseilles.

Intestines, Pig ..... Pls. 24
To Havre.
Intestines, Pig ..... „ 7
To Boston.
Silk, Waste, Filature: Long, Shanghai Bls. 24 „ 78.79
Bristles, Assorted .... „ 50
To New Bedford
Silk, Waste, Filature: Long, Shanghai Bls. 54 ..... Pls. 160.81
To New York.
Tea, Green: Gunpowder, Ningpo. „ 431
Antimony, Crude .... „ 588
„ Regulus ... „ 1,260
Bristles, Assorted .... „ 216
Egg Albumen, Dried .. „ 436
Cotton Filet Lace, Handmade ..... „ 6
Hides, Buffalo ..... „ 146
Soapstoneware ..... „ 40
Nutgalls ..... „ 218

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—Whatever little business that transpired during the past week may be characterised as having been done on a hand-to-mouth basis, so that prices with hardly any fluctuations remained steady at the close. The general sentiment for the moment, in the trade, while not decidedly bullish for the immediate future, is strong in the belief that any depreciation that may be experienced will be only temporary. The varied fluctuations in Mid-Americans and Indians on the whole point to a steady position. And were it not for the continued inactivity in our yarn market, prices on the local staple would have registered more of an advance than otherwise. The receipts from the interior marts showed a marked diminution in quantities when compared with that in the previous period, indicating the strength of holders and their expectation of better returns, when a general demand arises, for their stocks.

Yarn:—During the past week there has been no change in the fundamental conditions of the market. Fluctuations were within narrow limits, evolving a steady tendency at the close of the week. In all some 9000 to 10000 bales of local spinnings have been booked for export to Szechuen, Kiangse, Wuhu, Ningpo, Hankow, Tientsin and other interior ports.

Liverpool:—		*New York Market:*—	
American-Middling	11.12	Price of Mid-Amer.	19.75 Spot
American-Middling last reported	11.08		19.32 Dec.
Tone of the Market, *Easier*			19.37 Jan.
			19.58 Mar.
			19.74 May
			19.65 July.
		Tone of the market— *Steady*	

Indian Market:—		*Shanghai Market*:—	Tls.
Fully Good Bengal, D./J.	319	Tungchow, O./N. exwharf	35.00
Fine Oomra, D/J.....	352	Shanghai, O./N.....	33.00
Fully Good Broach, A./M.	389	M. Ginned, Spot.....	33.50
		Shensi, No. 1 O./N./Dec.	35.50
Tone of the market— *Steady*		Ningpo. Spot, Exwharf.	31.00
		Tone of the market— *Steady*	

Shanghai-Nanking Railway Abridged Time Table.

Main Line—Shanghai-North to Nanking.

UPWARD

STATIONS		Local	Fast	3rd & 4th Local	Express	3rd & 4th	Local	Fast	Local	Local	Local	Night Express
Shanghai North	dep.		7.00	7.20	8.50	9.05	12.15	12.40	14.20	16.10	18.10	21.30
Nansiang	,,		7.28	7.50	—	9.39	12.44	13.08	14.59	16.41	18.42	22.04
Anting	,,		7.49	8.19	—	10.10		13.30	15.30	17.03	19.07	—
Kunshan	,,		8.17	8.48	10.11	10.51		14.04	16.08		19.44	—
Soochow	,,		9.11	9.53	10.54	12.04		14.57	17.14		20.36	24.00
Wusih	,,	6.35	10.13	11.05	11.50	13.30		15.50	18.28		21.35	1.14
Changchow	,,	7.51	11.14	12.07	12.47	14.48		16.55	19.32			2.30
Tanyang	,,	8.58	12.16		13.40	15.58		18.00				3.35
Chinkiang	,,	10.05	13.10		14.23	17.09		19.00				4.40
Nanking	arr.	12.05	14.45		15.40	19.19		20.30				6.25

Main Line—Nanking to Shanghai-North.

DOWNWARD

STATIONS		Local	Local	Local	Fast	Express	Local	3rd & 4th Local	3rd & 4th	Fast	Local	Night Express
Nanking	dep.				7.05	9.10			9.25	12.30	16.35	21.30
Chinkiang	,,				8.46	10.46			11.40	14.30	18.54	23.43
Tanyang	,,				9.28	11.25			12.45	15.28	19.50	0.32
Changchow	,,		6.45		10.36	12.39		13.05	14.08	16.44	21.11	2.10
Wusih	,,	5.30	7.55		11.45	13.32		14.20	15.45	17.47	22.15	3.21
Soochow	,,	6.26	9.09		12.45	14.26		15.45	17.10	18.51		4.35
Kunshan	,,	7.19	10.13		13.32	15.03		17.10	18.24	19.42		—
Anting	,,	7.51	10.47		14.04	—	17.15	17.45	19.09	—		—
Nansiang	,,	8.15	11.12	13.15	14.24	—	17.37	18.09	19.40	20.31		6.06
Shanghai North	arr.	8.40	11.37	13.44	14.50	16.00	18.03	18.42	20.10	20.55		6.30

From the 25th May, 1927.

Shanghai-Hangchow-Ningpo Railway Abridged Time Table.

Shanghai North to Zahkou DOWN — **Main Line** — Zahkou to Shanghai North UP

STATIONS		Fast Local	Express R	2nd & 3rd & 4th	Fast R	Fast Local	Night Exp. R	Local
			*	*	*	*	*	
Shanghai N.	d.		8.05	9.15	13.30	15.35	18.30	
Jessfield	d.		8.21	9.32	13.46	15.51	18.46	
Siccawei	d.		8.27	9.40	13.53	15.58	18.53	
Lunghwa J.	d.		8.40	10.02	14.07	16.14	19.05	
Shanghai S.	d.		8.15	9.30	13 40	15.45	18.40	19.35
Lunghwa J.	a.		8.34	9.49	13.59	16.06	18.59	19.54
Sungkiang	d.		9.20	11.00	14.53	17.08	19.45	
Kashai	d.		10.09	12.07	15.48	18.10	20.38	
Kashing	d.	7.40	10.40	12.49	16.23	18.35	21.10	
Yehzah	d.	8.25	11.14	13.40	17.03	(a)	21.44	
Changan	d.	9.18	11.49	14.32	17.44		22.19	
Hangchow	d.	10.34	12.45	16.00	18.55		23.15	
Zahkou	a.	10.50	13.00	16.25	19.10		23.30	

STATIONS		Fast Local	Express R	2nd & 3rd & 4th	Fast R	Fast Local	Night Exp. R	Local
		*	*	*	*			
Zahkou	d.		7.15	9.05	13.35	15.25	17.45	
Hangchow	d.		7.40	9.40	14.00	15.51	18.10	
Changan	d.		8.32	11.05	15.06	17.03	19.02	
Yehzah	d.		9.03	12.03	15.43	17.46	19.33	
Kashing	d.	7.35	9.44	12.57	16.32	18.25	20.15	
Kashai	d.	8.06	10.08	13.35	16.59	(a)	20.41	
Sungkiang	d.	9.15	11.01	14.48	17.58		21.36	
Lunghwa J.	d.	10.11	11.41	15.53	18.47		22.16	8.41
Shanghai S.	a.	10.30	12.00	16.12	19.07		22.35	9.00
Lunghwa J.	d.	10.10	11.42	15.48	18.45		22.17	
Siccawei	d.	10.19	11.49	15.57	18.54		22.24	
Jessfield	d.	10.26	11.56	16.05	19.01		22.31	
Shanghai N.	a.	10.40	12.10	16.20	19.15		22.45	

Konzenchiao-Zahkou (Kiangshoo Branch Line) Zahkou-Konzenchiao

Konzenchiao	d.	7.05	9.30	11.45	13.50	17.30	21.50	Zahkou	d.	8.15	10.35		15.10	18.35	22.55
Kenshangmun	d.	7.21	9.48	12.01	14.10	17.46	22.06	Hangchow	d.	8.34	10.54	12.38	15.29	18.58	23.18
Hangchow	d.	7.38	10.00	12.12	14.23	18.03	22.18	Kenshangmun	d.	8.46	11.06	12.51	15.46	19.11	23.31
Zahkou	a.	7.55	10.20	(a)	14.40	18.20	22.35	Konzenchiao	a.	9.00	11.20	13.05	16.00	19.25	23.45

Note:—The four East Local Trains suspened running until further notice.
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